A PRODUCTIVE WELFARE SYSTEM FOR THE EIGHTIES:

A Review of the Saskatchewan Assistance Plan

Prepared for the
Minister of Social Services

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by
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EXECUTIVE SUMMARY

This Report was commissioned by the Minister of Social Services in January, 1983, with a mandate to review the Saskatchewan Assistance Plan comprehensively, to identify its major problems, and to advance proposals for both short and long term reform and development. Input to the review was sought by writing individually to about 1,200 social service groups, agencies, individuals, and municipal governments in the province. 117 written submissions were received. Furthermore, consultations were held with a selection of frontline workers and with departmental officials. Consultations were held and information obtained from nearly all the provinces and territories in Canada, as well as federal governments in Canada and the United States. No public hearings were held in Saskatchewan although private meetings were conducted with nearly all those who requested such a hearing.

The report concludes that the present welfare system is essentially non-productive for clients, helping clients very little except in the payment of minimum financial allowances. The system is de-humanizing, adversarial, inequitable, relatively cheap in client benefits but wasteful administratively, inconsistent and unacceptably complex. The program is widely misunderstood by the public.

On one hand recommendations of the report concentrate on offering a wide range of productive opportunities to help selected client groups become more independent of the welfare system; and on the other hand recommendations are offered to streamline the governing policies and administrative systems of the welfare program towards the goal of maximum efficiency. Several millions of dollars of potential annual savings are identified for possible re-direction towards productive rehabilitative opportunities for clients. Greater use of the non-governmental social service sector, the private sector, the volunteer sector, and self-help organizations is urged.

The Problem

The Saskatchewan Assistance Plan, instituted in 1966, has functioned tolerably well during most of its existence until the recent prolonged economic down turn has brought to the welfare program a volume, client-type and service need for which the S.A.P. program is not equipped to handle. The Assistance Plan is now the last resort repository for the human casualties of other social/economic policies, conditions and programs which in themselves have become negatively exaggerated at this juncture (e.g. unemployment insurance).

Reform is necessary so that the program can cope in the near future with the increasing and changing client caseload in order to minimize the negative effects of the welfare system on those clients and simultaneously prepare clients to engage in new productive opportunities for the future.

Reform Strategy

The proposed reform strategy is as follows:

1. Re-assess all clients on the basis of their potential for self support and on identifiable barriers towards achieving this independent status.
2. Massively simplify and automate the administrative processes of the Plan in order to capture professional staff time.
3. Re-direct this professional staff time and available service resources to work intensively with the high priority target groups for self support.
4. Identify a range of productive opportunities which have the potential to contribute to the goal of client independence and for which clients could potentially compete.
5. Help clients become prepared and able to compete for these productive opportunities.
6. Reduce the disincentives (or alternatively create new incentives) to encourage clients to seek, accept and hold productive opportunities.
7. Re-organize the management and operation of the Assistance Plan and related support services to achieve the goals of the reformed welfare system.
8. Increase the involvement of the public, the private and municipal economic sectors, and the non-governmental social service community in reforming

the Assistance Plan and in creating opportunities for its clients to become employed and financially independent.

Welfare Caseload

There were 29,455 cases on social assistance in March, 1983, a dramatic increase of 50 percent over the last few years. The caseload actually involved 59,724 people when dependents were counted. The single common characteristic of the caseload was the very poor level of education of its clients - a scant 17 percent having graduated from high school. Other barriers to employment include the lack of marketable work experience and skill training. The typical S.A.P. recipient stands little hope of finding employment in the near future even if general unemployment is substantially reduced.

Aside from the educational limitation, certain groups of clients face additional problems which require special assessment and streamlined programming.

1. 16 and 17 Year Old Youths

   16 and 17 year old youths receiving S.A.P. comprise only 1.8 percent of the caseload yet present a very complex and contentious family and social issue. Some believe that allowing these youths to receive social assistance undermines the family unit and encourages long-term dependency among the youths on S.A.P. Others contend that for some juveniles

there is no other alternative to S.A.P. when living with parents is not possible.

The Report proposes that these teenagers would be best served under the Family Services programs of the Social Services Department where greater involvement by non-government social service agencies is recommended to work with departmental staff to help these distressed youths and their families.

It is recommended that the S.A.P. regulations be amended to specify that an individual must be 18 years of age to be eligible for benefits independently.

2. The Permanently Handicapped

About 3,600 cases on S.A.P. are permanently disabled and unemployable. These clients rely almost totally on social assistance for their income and its resultant lifestyle, and have few prospects of ever becoming independent of S.A.P. The Report proposes removing from S.A.P. the permanently disabled cases and then moving in affordable stages to the placement of these permanently disabled people in a new and separate guaranteed income program. For those permanently disabled who potentially could earn a small amount of additional income through sheltered workshops, it is recommended that more generous earned income exemptions should apply.

This proposal would improve the quality of life of the permanently disabled, would pay them a slightly more generous benefit on average, and would eliminate the stigma of receiving welfare payments.

While five options are presented for consideration, ranging in cost from $1M to over $100M annually, it is recommended that the government proceed in stages towards a guaranteed income for the permanently disabled at an annual net incremental cost of $6.6M.

3. Single Parents

Single parents represent almost one-third of the S.A.P. caseload, over 95 percent of which are headed by women. As with other types of clients, single mothers face several impediments to gaining independence from welfare such as limited education, training, and relevant work experience, as well as a lengthy involvement with social assistance. In addition, single mothers bear the added complication of child care. Without further help, these clients will remain on welfare indefinitely at a large social and psychological cost to the parent and her children, and a large financial cost to the government. Several proposals are contained in the paper including:

- Establishment of a specialized intake and assessment unit to serve single parents;
- Group intake to encourage peer group formation for self-help purposes;

- Hiring a departmental co-ordinator for single parents to oversee and stimulate the improvement and co-ordination of policies aimed at single parents;
- Greater use of non-government social service agencies to help provide needed services to lone-parents;
- More educational support of single parents offered early in their rehabilitation program. Especially rescind the requirement that a client must be on S.A.P. for 12 months to qualify for subsidized university training;
- Better, more flexible day care arrangements. For example, permit an unemployed single mother to establish a day care home;
- Helping single parents obtain maintenance orders from spouses;
- Improving current work incentive supports and allowing realistic exemption of these earnings; and
- Encouraging single mothers to develop self-help programs.

4. Fully Employables

The number of fully employable cases has climbed dramatically since the fall of 1981, now accounting for one-quarter of the S.A.P. caseload. The major reason for this increase is the rise in unemployment and the failure of other social programs, particularly unemployment insurance, to deal adequately with the problem. S.A.P. has little to offer these clients apart from a subsistence income. Many of these clients need educational upgrading and vocational training if they hope to reverse permanently their ties with welfare.

Proposals advanced include consideration of moving responsibility for employables to the Department of Labour or Advanced Education and Manpower, negotiating with the federal government to extend unemployment insurance benefits, creating a special "bridging" program for those who have exhausted U.I. benefits (to keep them off S.A.P.) which would include a basic living allowance coupled with training programs and assistance to prepare for job seeking. Examples in other provinces to provide financial incentives to the private sector and to municipalities to create new employment are detailed.

A concept of a portable salary for fully employables is offered for experimentation in Saskatchewan. Clients would be given an amount equal to welfare entitlements as a promissory note to bargain for a new (not replacement) job with local employers at prevailing wage rates for that job. The employer would pay a wage directly to the client and redeem the promissory note from the government. The scheme would need to be time limited and worked out in close co-operation with management and labour. The scheme has worked well in Maryland, U.S.A., under the label "WAGE" program - "Work Assistance Grant to Employables".

5. The Creation of Productive Opportunities

Beyond these four case groups, the report deals more generally with the creation of productive opportunities for all clients. It is argued that S.A.P. must become a productive experience for clients by preparing clients psychologically, socially, and educationally for jobs, by helping to ensure available jobs exist, by matching clients to those jobs, and by improving incentives to work. Among the major recommendations:

a) Education and Training

While the economy is depressed there is ample time to train the unemployed for future opportunities and to equalize their capacity to compete in the labour market. The Department should be doing its utmost to improve opportunities for its clients to receive, as necessary, adult basic education, language training, basic life skills education, vocational training, re-training of workers with redundant skills and a certain amount of professional training.

Approximately 20,000 clients could benefit from educational up-grading. An improved system to assess educational need in the province is required. Community colleges could be used to address many of the educational needs of S.A.P. clients.

S.A.P. should treat training allowances as earned income (where a partial earnings exception would apply) as a first step towards greater incentives to re-train. Adequate provision must be made to cover educational expenses and supplies. Finally, apprenticeships should be expanded in industry.

b) Job Creation

Unemployment is a heavy drain on the Saskatchewan economy. Creating work may be more expensive in the short-term but less expensive over the long run with the disadvantaged making a productive contribution to society. Some experimentation is desirable to create new opportunities for the unemployed, but it is unlikely that one job creation strategy alone will work. Rather, a balanced variety of initiatives need to be tried simultaneously.

Some proposals include:

i) Work opportunities could be redistributed so that most people have an opportunity to contribute to some degree to society even though there may be insufficient opportunities for everyone to contribute on a full-time basis;

ii) The "helping" sector could be expanded through public and private expenditures, so that new and additional opportunities could be found for people to provide services to other people who need help, in such a way that both "helpers" and the "helped" become less directly dependent on the state. This could involve expansion of the non-governmental social service agencies, support to the volunteer sector to expand, the targetting by government of short and long-term of public sector job creation ventures;

iii) Incentives to the private sector for joint ventures with government and communities for community development projects could be considered;

iv) The productive value of the informal economy could be recognized and encouraged (although this is now a non-taxed economy);

v) Entry work experience for young people and single parents in transition from school or home to work could be facilitated;

vi) Some of the public resources now invested in social assistance and unemployment insurance schemes could be re-conceptualized and re-directed towards meaningful work opportunities.

c) Redistribute Work

To enable more people to work, many measures need to be considered for the future such as decreasing the work week, restricting overtime and multiple jobs, job sharing, earlier retirement, and longer schooling. For disadvantaged groups such as natives, single mothers, and inexperienced youths, concepts like sheltered work places, protected markets (products needed within Saskatchewan by its many institutions and health, education and social programs which could be produced locally by disadvantaged people), preferential contracts for provincial firms and reserved positions in industry for people with limited handicaps are worth exploring.

d) Welfare Recipients as Volunteers

With non-profit agencies lacking volunteers, and a plethora of welfare recipients with a desire to feel useful, one possibility is to link welfare recipients with volunteer agencies. A proposal is presented for government involvement in facilitating and encouraging (not requiring) welfare recipient participation in voluntary work. The net cost would be around $11,000 per month plus provision for child care in some instances.

e) Expand Helping Sector

One of the best opportunities to find productive roles for social assistance clients is likely to be found by expansion of the service sector in the province, particularly using non-governmental social service agencies and volunteer groups to create the ideas and opportunities for employing welfare clients. Government may need to provide some financial stability for new organizations.

A few possibilities include:

i) New businesses could be created to produce or obtain cheaply, or re-cycle goods which need to be consumed by welfare clients, such as food, clothing, housing, some pieces of furniture and appliances, etc.

ii) N.G.O.'s can be used to provide a number of the counselling services for clients which the Department cannot now provide - essentially to provide adult social services.

iii) N.G.O.'s are the best vehicle under which to expand sheltered employment.

iv) Church-based groups (e.g. like the P.L.U.R.A. organization) are developing initiatives to establish some small industries for employing the disadvantaged.

v) Work preparation centres either attached to the departmental operation or through N.G.O.'s like the Community Service Centre in Prince Albert, can offer rehabilitative programs, life skills programs, employment projects (like Pine Industries), and can help clients obtain the variety of referral and support services they need.

vi) N.G.O.'s could be established to arrange for transportation of clients and the aged, particularly outside the larger cities.

vii) There is a critical need to provide recreational opportunities, equipment and fees for children in welfare families. The involvement of service agencies potentially could provide excellent recreational and sports opportunities for disadvantaged children.

viii) Peer groups amongst welfare clients are badly needed, particularly for single parents. Some organizational effort is required to develop a network of peer groups. N.G.O.'s conceivably could take on this role.

ix) N.G.O.'s like home care boards and homemaker services, hospitals, nursing homes and other large social institutions, if connected with welfare clients, and if given encouragement, could employ or otherwise make productive use of many workers and volunteers. Costs would be off-set if the "portable salary" concept were accepted.

x) Indian and Metis groups want to do more for themselves and indeed want to provide many of their own social services. A significant number of social assistance clients are of native ancestory. By training natives to provide social services, they could do more for their own organizations and for themselves.

In summary, one good field to search for productive opportunities for social assistance clients is likely in the expansion of the service sector in the province, particularly using non-governmental social service agencies and volunteer groups to create the ideas and opportunities.

f) Job Preparation and Searching

Clients need social skills, training to learn job search skills, interviewing techniques, budgetting, grooming, etc., in order to land a job. Work Preparation Centres should be located throughout the province.

g) Short-Term Job Creation

While short-term job creation is not an ultimate answer, it is needed now, and is valuable in helping clients retain or acquire skills. The Employment Support Program (E.S.P.) historically has been highly effective in facilitating permanent employment for clients.

h) Private Sector Subsidies for Job Creation

There is a significant capacity to create more private sector jobs if some risks of expansion are reduced. A proposal for abating some of these risks is offered (page 129).

Policy and Procedural Simplification

The rationale for simplification is clear: the only acceptable way to cope with client volume and release staff time and some financial resources in order to move towards the provision of urgently needed services is to extensively simplify and automate the policies and procedures. Simplification is desirable in several areas:

1. Intake of Clients

Any improvement in the assessment or the relationship with clients must begin with the intake process. First, the most experienced workers should be assigned to intake. Second, the Department must develop a simple yet comprehensive information package (e.g. application kits, audio-visual presentations) to inform clients about their rights and responsibilities. Next, group intake should be considered to save workers' time and foster mutual support among clients; decentralization of intake offices into neighbourhoods should facilitate such mutual support.

2. Application and Eligibility

Main proposals are:

- Amending S.A.P. regulations to remove any reference to sex when referring to a recipient;
- Do not exclude from S.A.P. strikers or job-quitters; and
- Clarify the definition of transients, establish appropriate benefit levels and treatment approaches, and ensure consistent application of these policies regarding transients across the province.

3. **Benefits**

Adopt a modified needs tested system which includes a

Basic Personal and Household Allowance consisting of grants for food, clothing, personal, utilities, laundry, transportation and household maintenance. This basic allowance would be tied to family size, and the amount of its component parts would not be specified. Also part of the financial support system would be special Needs Grants (mainly for rehabilitative purposes), an Emergency Fund for transient aid and one-time unforeseen needs, and a Northerners Adjustment Allowance.

For now the shelter allowance should be kept separate from the Basic Personal and Household Allowance since shelter needs vary so much across the province, but S.A.P. should work towards establishing standardized housing rates by family size to be included in the basic budget at a later date. A larger stock of subsidized housing is also essential.

4. F.I.P./S.A.P. Interface

The Family Income Plan (F.I.P.) was introduced in 1974 to re-distribute income to assist low income working families. From its inception, problems have been experienced with clients eligible for both F.I.P. and S.A.P. Any family applying for S.A.P. must apply for F.I.P.; if the family qualifies for both, F.I.P. is subtracted from S.A.P. so there is no extra benefit. This, combined with the extra work involved by Department staff, is a good argument that dual eligibility should be eliminated. Clients should receive benefits from one program only.

5. Automation

Many necessary reforms of S.A.P. and many of the potential cost savings depend upon complete automation of S.A.P. records and payment process. Therefore, this report urges that the recommendations of the Saskatchewan Bureau of Management Improvement's study dealing with this matter be implemented.

Other simplification recommendations include revamping and rationalization of the many forms used in the program, allowing direct payment to vendors to reduce the use of requisitions, allowing re-direction of payroll cheques if a client moves, automating Regional Services Account cheques, and automation of supplementary health services card generation.

6. Health Issues

There is currently unnecessary administrative duplication between the Department of Health and Social Services in the payment of S.A.P. client health accounts.

It is proposed to expand the supplementary health coverage under the health program for welfare clients and then

- eliminate the requirement that S.A.P. pay $30 per month for its clients on home care. Instead, this fee should be covered by the Home Care Program;

- eliminate direct payment of road ambulance charges for S.A.P. clients and recover through the health program;
- eliminate the direct charge to clients of the prescription drug dispensing fee so that time consuming refunds will not have to be issued by S.A.P. workers. Instead, pay direct through the Saskatchewan Prescription Drug Plan and recover cost-sharing directly as an agent of the Social Services Department;

7. Income and Assets Re-definitions

The present definitions of income and assets in the regulations are ambiguous and cause much difficulty. Special concerns arise for workers in the appraisal of assets and income from small businesses and farms (page 175). These definitions need to be entirely re-written. A set of principles to distinguish between income and assets is endorsed on page .

8. Asset and Income Exemptions

Policies concerning asset and income exemptions are ambiguous, inconsistent and unfair. It is suggested that a committee be established to review this problem in depth. Meanwhile, several steps should be taken:

- Exempt family allowance income. The cost could be partially offset by eliminating the personal allowance to children, or denying the next pre-added increase contemplated for children;
- Specify the value of exempted gifts at

$500 per family member per year;

- Exempt earned income of all children under age 18 except for a board and room charge on youths to be included in family income;

- Gambling gains and lottery prizes should not be exempt;

- Property improvement grants, renter's rebates and senior citizens school tax rebate should not be exempted insofar as S.A.P. paid the rent or mortgage on which the rebate is made;

- Reduce cash and liquid asset exemption to $1,000 for singles, $2,000 for married couples and $500 for each dependent;

- Assets should not be considered until they are received;

- Earned Income Exemption - The current earnings exemption of $50 per singles or $100 per family (or 25% of needs, which ever is greater) has several shortcomings:

  - There is no incentive to earn beyond the exemption point;
  - The administrative cost of adjusting S.A.P. payments for small amounts of income is high;
  - Including such widely fluctuating variables as shelter and utilities in the exemption formula is inequitable;
  - Some clients qualify for assistance solely because of the income exemption;
  - There is no financial provision for helping clients make the transition to full independence from welfare.

- There is no perfect solution to an earned income exemption which maximizes the incentive to work while receiving welfare assistance. Nevertheless, some improvements can be made including:

  - Simplifying earned income exemption rules;
  - Ensuring no applicant qualifies for S.A.P. solely because of the income exemption rules;

- Base the exemption on 25% of the pre-added budget or some percentage of income rather than on 25% of all needs;
- Exempt all earned income which is "saved" and applied to the unused portion of the cash and liquid asset exemption;
- Retain the floor of $50/single and $100/family;
- Average income over quarterly periods rather than monthly to reduce administration;
- Cut-off recipients whose income exceeds needs;
- Continue some portion of S.A.P. benefits after eligibility ends - perhaps 3 months - to ease the transition into the employment market;
- Beyond the floor exemption, adopt a graduated tax-back system which approaches but never reaches 100% as earnings increase.

9. Capital Accumulation

The Department needs to review and clarify its policies affecting capital accumulation while on S.A.P. At present, S.A.P. supports some types of capital accumulation - the most obvious example, mortgages paid toward the purchase of a house, but S.A.P. does not support most other forms of capital accumulation.

10. Staff Workloads and Training

The most consistent complaint in submissions to the Review was the very high caseloads being carried by social workers, and the attendant serious consequences for the program and its clients. More staff may be needed in the short run to cope with this problem, but after program simplification and automation are achieved, staff needs will fall.

In addition, staff training has been neglected for several years. Workers must be given more opportunities to up-grade their skills, particularly as the policies and procedures of the program are changed.

11. Mandate and Objectives of S.A.P.

The purpose and objectives of S.A.P. are unclear. The Department should establish a working group to propose an explicit mandate for the program. Moreover, this mandate, as well as S.A.P. policies and regulations should be freely available to the public - preferrably in a simple pamphlet.

Fraud, Abuse, Error, Over-Payment, Late Payment

The public believes that there is a substantial amount of abuse by social assistance recipients. In large measure, this cannot be proven, but insofar as some abuse does exist in the program, and procedures to identify and stop this condition are inadequate, then all clients and the credibility of the program itself are unfairly tarnished. The intention therefore is to place "fraud, abuse, error and over-payments" in perspective, and suggest improved ways of dealing with this problem as it pertains to the few negligent clients.

There are four main sources of abuse or error:

1. Unreported Income

Briefs to the review stated that a significant percentage of clients receive small amounts of income which go unreported. Clients should be made aware that they must report this income and that some of it will be exempted in any case.

2. Over-payments and Processing Errors

Over-payments in 1982-83 were at least $3.9M and may have been as high as $12.6M. 46 percent occurred mainly because of unreported income by clients, but most of the rest was due to an out-dated processing system and deficiencies in assessing needs of clients. Automation would solve two-thirds of the over-payment problems.

3. Lost or Stolen Cheques

Lost or stolen cheques, although increasing in incidence with the rising caseload, still comprise less than one-tenth of one percent of all cheques. Such cases take up a disproportionate amount of staff time, however, and workers worry about the ease with which a client can claim a cheque has been lost or stolen. Direct bank deposit of payroll cheques will help reduce this problem.

4. Incorrect Information on Client Declarations

Clients, intentionally or otherwise, often give incorrect or incomplete information to staff. This can result in over or under-payments.

To limit the extent of abuse and errors, a number of suggestions are listed in the report:

a) Automation and direct banking;

b) Match S.A.P. records against other third party payment records, especially U.I. benefits;

c) Create a special S.A.P. investigation unit to be staffed by professional fraud investigators located in each region. Workers would refer suspected fraud cases to this unit which would assume full responsibility for the investigation;

d) Home visits should be a regular part of the intake process to limit fraud and lessen stigma;

e) Obtain a waiver from clients to check out any information submitted to S.A.P.;

f) A provincially consistent over-payment policy and procedures for reclaimation must be established;

g) Consider the Social Services Appeal Board's approach to common-law marriages of treating the household as an economic unit;

h) Hold regular inter-regional meetings of S.A.P. supervisors to ensure regulations and policy are applied consistently;

i) Appoint more trustees and run money management courses for clients who regularly fail to pay their bills, and in some instances make direct payments to vendors on behalf of clients.

Benefit Rates

The difficulty of assessing and comparing the level of Saskatchewan benefit rates was examined and the conclusion reached that major adjustments should not be made until government has the opportunity to consider the broader policies in the report which will have an effect on the disposable income of clients.

In the short-term benefit adjustments need to be considered for:

- the board and room allowance;
- the clothing allowance for children;
- the food allowance for children;
- restaurant food allowance.

Organizational Issues and Relationships

Organizational objectives for reform are stated on page 231 - essentially they call for better administration, co-ordination, and co-operation among all groups involved with S.A.P. A regrouping of services to bring together income support and employment fuctions is urged.

The establishment of a Regional Business Employment Council is recommended with the following functions:

i) the establishment of a network of private business connections to encourage the private sector to employ under a variety of conditions (and with a number of incentives) clients of S.A.P. who are work ready;

ii) to find and make arrangements to place able S.A.P. clients in volunteer community activities;

iii) to encourage the development in the regions a number of new work projects for S.A.P. clients where products can be produced or services rendered by S.A.P. clients to help themselves and each other;

iv) to stimulate appropriate E.S.P. and E.O.P. projects for the region and participate in the regular evaluation of these projects;

v) to assist regions in any other reasonable way to match S.A.P. clients with available jobs, or create new work opportunities for able bodied clients.

Advisory and Appeal Boards

Reform of the advisory and appeal structures is badly needed. The Provincial Municipal Advisory Board is not currently playing any significant role in advising the Minister about social services. It could be disbanded.

An Accreditation Committee reviews the Moose Jaw and Prince Albert City social services programs every five years. The criteria for assessment outlined in the regulations are outdated. The Accreditation Committee should be replaced by a temporary task force on S.A.P. standards which would establish minimum standards for the responsible delivery of S.A.P. throughout the province. The Minister may then establish contracts with the two municipalities to deliver social assistance.

There are also problems with Regional Advisory Boards. These boards perform two functions - general advice and appeals. Most boards are totally pre-occupied with appeals and rarely exercise their advisory function. Furthermore, there is no inter-regional consistency in operations, little community representation, no training available to board members, too much dependency on the bureaucracy, and the boards are too closely identified with the department. It is suggested that Regional Advisory Boards be disbanded to be replaced by Local Appeal Boards. Suggestions for these appeal boards follow:

- Separate the boards from local social service bureaucracy;
- Appoint a Social Services Appeal Board (provincial) which would set consistent appeal standards and monitor the enforcement of these. Decisions of the Social Services Appeal Board should be final;
- Have the Minister of Social Services directly appoint all members of the Social Services Appeal Board and all local boards;
- Limit tenure on appeal boards to 2 years, renewable once;
- Provide training to new members;
- Appeal boards should be allowed to reconsider their own decisions;
- Decisions should be publicly available, and form precedents for later decisions;
- A client's caseworker should not present the Department's case;
- Appeal Boards should have the authority to deny appeals when no new information is available;
- Client's right to appeal should be explicitly stated; and
- Client's right to a decision and reasons in writing should be recognized.

CONSOLIDATED LISTING OF RECOMMENDATIONS

1. REFORM STRATEGY

a) **Reassess the clients on the Saskatchewan Assistance Plan caseload and group clients on the basis of their potential for self** support and on the identifiable barriers towards achieving this independent status.

b) Massively simplify and automate the administrative processes of the Assistance Plan in order to capture professional staff time.

c) Re-direct this professional staff time and available service resources to work intensively with the high priority target groups for self support.

d) Identify a range of productive opportunities which have the potential to contribute to the goal of client independence and for which clients could potentially compete.

e) Help clients become prepared and able to compete for the productive opportunities. (Note that "preparation" is meant to include not only education and skill capacities, but also personal and practical capacities such as one's motivation, self confidence, job readiness, job search and interview skills, one's health and home life responsibilities).

f) Reduce the disincentives (or alternatively create new incentives) to encourage clients to seek, accept and hold productive opportunities.

g) Re-organize the management and operation of the Saskatchewan Assistance Plan and related support services to achieve the goals of the reformed welfare system.

h) Increase the involvement of the public, the private and municipal economic sectors, and the non-governmental social service community in reforming the Saskatchewan Assistance Plan and in creating opportunities for its clients to become employed and financially independent.

2. 16 AND 17 YEAR OLD YOUTHS ON SOCIAL ASSISTANCE

Recommendations for Program Criteria

a) No program or policy of the Social Services Department should give encouragement to the dissolution of family units.

b) The resolution of conflict between youths and their families, and the support services that need to be mobilized to help both parties, ought to be treated as a family service issue and not a welfare issue. Financial assistance, other counselling and support services should be provided from a source other than S.A.P.

c) The expectation for youths to age 18 (and perhaps a later age) should be that they would normally pursue education and training programs to a level of proficiency where they can compete equitably for jobs which will yield an income sufficiently great for self support. Where unmarried mothers are involved, the same expectation should apply along with the requirement that appropriate child care arrangements are made for infant dependents.

d) In all instances for youths under the age of 18, regardless of the living arrangements selected, where the state is involved in supporting this youth in any way, a supervised and supportive living environment should be chosen.

e) Wherever the state becomes involved in the assessment, counselling, placement or other form of intervention service for a 16 or 17 year old youth, the services should be offered with the full knowledge and involvement of the parents, and wherever possible non-governmental community resources ought to be mobilized to assist both the youths and their families.

Recommendations for Program Changes

a) That the Saskatchewan Assistance Plan Regulations be amended to require that a head of household be a minimum of 18 years of age in order to qualify for benefits.

b) That regulations and policies under The Family Services Act be developed to enable the accommodation of 16 and 17 year old youths in a range of supervised living arrangements outside of the parental home.

c) That when these policies and programs are completed and approved by the government, the existing 16 and 17 year olds on the S.A.P. program be transferred to the Family Services program.

d) That consideration be given in the regions to the greater involvement of non-governmental social service groups and other relevant community resources in addressing the case problems of parents and youths in conflict.

3. THE PERMANENTLY HANDICAPPED

That the government move in stages towards the goal of a guaranteed income for the permanently disabled by considering the first option:

> "Establish one flat rate grant payable to all disabled residents meeting medical criteria and subject to income and asset tests";

or the second option:

> "Provide permanently handicapped people with a $50 per month special disability allowance, administered under the present S.A.P. program, and coupled with more generous earned income exemptions".

4. SINGLE PARENTS

Recommendations for Program Criteria

a) Address the limited education, training and work experience of female single parents;

b) Attempt to shorten by any reasonable means the length of involvement of single parents with the welfare system;

c) Remove obstacles to the provision of child care for working mothers, or mothers in training, or those involved in self-help activities;

d) Remove disincentives for families to

improve their overall well being by self initiated efforts.

Recommendations for Program Changes

a) Create a specialized intake and assessment unit using most experienced workers, for the purpose of identifying those single mothers who want to work and helping these individuals become work ready as quickly as possible; and for those who cannot work to connect these single parents and children to self-help and mutual support groups and to better recreational opportunities.

b) Institute group intake procedures to encourage peer group development.

c) Hire a departmental co-ordinator to oversee the development and co-ordination of policies and programs aimed at single parents.

d) Expand the use of non-governmental agencies to provide all essential services to single parents except financial, consistent with the geographical location of N.G.O.'s and clients.

e) Use S.A.P. to support single parents in education or training activities and recognize in S.A.P. payments any additional costs to the client of this education and training.

f) Repeal the regulation that prevents a S.A.P. client from being subsidized while taking university training until they have received S.A.P. benefits for 12 months.

g) Ask the Department of Advanced Education and Manpower to review its policy on student loan re-payment so that a student on welfare, when completing his education, would not need to return to the welfare program as a consequence of the size or rate of student loan re-payments.

h) Explore whether community colleges could play a larger role in meeting the educational needs of welfare clients.

i) Examine the feasibility of permitting part-time schooling for single parents.

j) Provide more flexible day care options for single parents, including relaxed regulations for approved day care homes run by single parents.

k) Encourage more actively the development of day care centres where "substitute" parental involvement can be found such as church controlled day care centres, Y.M.C.A. centres, etc.

l) Encourage departmental day care development workers to identify neighbourhoods with a high proportion of single parents and take the initiative to establish day care arrangements in these areas under terms and conditions which facilitate the further education, training and employment of single mothers, making accommodations for the limited time of single parents to participate in the day care program.

m) Provide assistance to single parents to obtain and enforce court decreed maintenance orders.

n) Improve work incentive measures.

o) Encourage the development of self-help groups not only for the single parents themselves but particularly for the children in these families.

5. FULLY EMPLOYABLE CLIENTS

a) Negotiate with the federal government to extend unemployment insurance benefits throughout the duration of this period of high unemployment in Canada.

b) Negotiate with the federal government to create a "bridging" program to keep unemployment insurance exhaustees off the welfare system.

c) Maintain and expand employment support projects (E.S.P. Program) as an important productive opportunity for both clients and their local communities.

d) Experiment with a "portable salary" with welfare recipients given a voucher equivalent to their welfare entitlement, redeemable by employers for hiring recipients into new (not replacement) jobs.

6. THE CREATION OF PRODUCTIVE OPPORTUNITIES

a) Support education and training to prepare clients for future productive opportunities.

b) Expand the capacity in the province to undertake educational and training assessments of adult clients.

c) Reconsider the size of the expansion of the technical and vocational education capacity in the province to enable the accommodation of the training needs of welfare clients.

d) Negotiate with the Canada Employment and Immigration Commission to improve the federal training allowances; if this can't be achieved, top-up training allowances through S.A.P.

e) Consider measures to re-distribute work, to provide sheltered markets and work places in Saskatchewan in order that more people might participate in some work opportunities.

f) Establish a volunteer program for social assistance clients to participate in established community volunteer services. The program should be non-mandatory and client/volunteers should be reimbursed for out-of-pocket expenses.

g) Expand the human service sector, especially non-governmental social service agencies to create employment, where the new services are mainly intended to be used or consumed by other disadvantaged people. Examples of new ventures include re-cycled goods, food, clothing, furniture, housing, some equipment, some counselling services for clients, sheltered employment, transportation, recreational opportunities for welfare children.

h) Assure that a vocational rehabilitation program is available in all major provincial centres, similar to the current work preparation centres, with functions that prepare clients to become job ready, skilled at job searching and interviewing and knowledgeable about co-operation in the work unit.

i) Provide grants and subsidies to the private sector to create new jobs and consider an "interest rate abatement program" for the private sector to guarantee that if money is borrowed to expand a firm, and interest rates rise beyond a certain percentage point, the higher interest rates would be abated by government subsidy.

j) Consider other risk reduction measures for private employers who contract to employ individuals who have had a historical employment disadvantage. Risk reduction might be offset for training and orientation costs and for a short (3 month) "sizing up" period.

7. POLICY AND PROCEDURAL SIMPLIFICATION AND AUTOMATION

Intake

a) Assign the Department's most skilled social workers in assessment and counselling to perform the intake process.

b) Develop information kits (pamphlets and audio-visual aids) for clients on their rights and responsibilities, and to assist clients in completing some forms independently.

c) Develop group intake procedures for efficiency and to foster peer group interaction.

d) Decentralize intake offices into neighbourhood offices wherever possible.

Application and Eligibility

a) Remove sex biased "head of family" definitions.

b) Re-write one condition of eligibility to state that an applicant "produce evidence that he cannot support himself" and that he has applied "without success" for assistance to other agencies of any government or crown corporation.

c) Strikers and job quitters should not be excluded from S.A.P. eligibility.

d) Since the eligibility of a client for assistance is determined from the date on which the application form is signed, the Department needs to take measures to ensure that clients understand the date of their earliest eligibility, and that there is no delay in making application forms available to clients.

e) Develop new policies on the definition of a transient, their benefits and treatment, and apply these uniformally across the province.

Benefit Schedule

a) Expand the pre-added section of the Assistance Plan rates to include in the budget all basic needs except shelter, and re-name this benefit a "basic personal and household allowance".

c) Re-define and limit the "special needs allowance" to cover special health benefits mainly for the disabled not covered by the Health Plan, education and rehabilitation costs, employment related costs, a volunteer allowance where applicable, and unusual costs which are associated with self-help activities.

d) Create an emergency fund to deal with transient aid and special assistance to other S.A.P. clients who face catastrophic events or a one-time large household cost.

e) Create a Northerner's Adjustment Allowance to be applied only to the basic personal and household allowance for those living in the area of the Northern Administration District and where basic living costs are proven to be significantly greater than in Southern Saskatchewan.

f) Do not index S.A.P. benefits at this time.

g) Explore further the possibility of standardizing housing rates for clients, by size of family, and later including these standardized rates in the basic budget.

Family Income Plan Interface with the Saskatchewan Assistance Plan

a) Eliminate F.I.P. payments to S.A.P. recipients.

Automation

a) Automate the S.A.P. records and payment system based on the Bureau of Management Improvement report.

b) Coincident with automation, develop forms control in the Department and produce a minimum number of essential new forms in a simple format, which are self explanatory and in most instances can be completed by clients unaided.

c) When automating, provide the capacity for S.A.P. to make 3rd party payments directly to vendors thereby eliminating the use of most requisitions.

d) Provide the S.A.P. system with a capacity to re-direct payroll cheques to a client's new address rather than having these cheques returned to the Finance Department, cancelled, and having the Regional Services Account issue a separate cheque to the client.

e) Automate the Regional Services Account cheque production and accounting system which is now manual.

f) Provide the capacity in the S.A.P. system to obtain automatically the client's provincial health services number and promptly generate a supplementary health services card and number.

Health and Related Issues

a) Extend the supplementary health coverage of S.A.P. clients under the health program so that those costs for home care, ambulance charges, prescription drug dispensing fee charges are handled through the Health Department's existing programs with proper identification of the S.A.P. client when receiving services so that cost-sharing with the federal government would not be lost.

Definition and Relationship Between Income and Assets

a) The Department should re-write its regulations which define income and assets and use the Dorothy Zarski principles as a point of departure. Suggestions are made from pages 171 - 175 of the report on the treatment of special income and asset problems, such as the treatment of an inheritance, monies received from separation agreements, clarification of jointly owned property, the scope of income to be used for current maintenance of a client, and a series of problems related to the assessment of small farm and small business assets, income and exemptions under S.A.P. Regulations.

Income Exemptions

a) Exempt family allowance payments.

b) The child tax credit should remain exempt from income.

c) Specify the value of exempted gifts at $500 per year per family member.

d) Delete the present exemption that allows for "contributions for other than ordinary maintenance".

e) Exempt the income earned by children up to the age of 18 except from board and room charges to parents.

f) Do not exempt gambling or lottery winnings.

g) The home in which a person resides is currently exempt as an asset. Exempt also the furnishings contained within this principal residence.

h) Discontinue exemptions for property improvement grants, renter's rebate, senior citizens school tax rebate to the extent that S.A.P. paid the rent or mortgage on which the rebate is made.

i) Reduce the cash and liquid asset exemption to $1,000 for single people; $2,000 for a couple; $500 per dependent.

j) Assets should not be considered until they are received by the client.

Earned Income

a) Retain the flat rate basic exemption of $50 per person and $100 per family per month.

b) Simplify earning exemption rules.

c) Average income over quarterly periods rather than accounting monthly.

d) Base exemptions beyond the minimum, as a percentage of income, or 25 percent of the pre-added budget, rather than basing exemptions on total needs.

e) Applicants whose income exceeds needs (determined by S.A.P.) should not qualify for benefits as a result of the earnings exemption.

f) Recipients whose income exceeds their needs should be disentitled to benefits.

g) Beyond the basic exemption, tax back earned income on an increasing scale which never reaches 100 percent.

h) Establish transition arrangements for clients when their eligibility for S.A.P. benefits end, continuing some cash and other benefits for a limited period of time like 3 months.

Capital Accumulation

a) Policies respecting capital accumulation require review by the Department and clarification.

Staff Workloads and Training

a) More staff in the short-term may be needed to deal with increasing caseloads, but policy and procedural simplification should reduce staff requirements at a later date.

b) Staff training should be increased especially as reform measures are introduced.

Mandate and Objectives of the Saskatchewan Assistance Plan

a) An internal working group should develop an explicit mandate for S.A.P. after government makes its new policy choices. This mandate should be readily available to clients and the public.

8. FRAUD, ABUSE, ERROR, OVER-PAYMENTS AND LATE PAYMENT OF ACCOUNTS BY CLIENTS

a) Increase client education regarding their need to report income.

b) Direct deposits of S.A.P. benefits to banks to reduce the incidence of lost and stolen cheques and to facilitate banking arrangements for the handicapped.

c) Match S.A.P. benefits against other benefit programs of governments (e.g. unemployment insurance).

d) Create a professional fraud investigation unit in each region.

e) Home visits should be a regular part of normal intake, to limit fraud and reduce stigma.

f) Obtain waivers from clients to investigate financial information submitted by S.A.P. recipients.

g) Establish province-wide procedures for over-payments and recoveries, and alter the Saskatchewan law to permit the Social Services Department to reclaim over-payments from any other departmental program offering direct financial payments to clients who are in arrears.

h) Automate the payment processing and record-keeping of S.A.P. benefits as the single greatest deterrent to fraud and error.

i) Where individuals are living together in a household unit regardless of whether they are married or are considered living in common-law marriages, treat the household as an economic unit when determining S.A.P. benefits.

j) Hold regular inter-regional meetings of S.A.P. supervisors to encourage consistent interpretation and application of policies and regulations.

k) Appoint more trustees, and implement compulsory money management courses for those who regularly fail to pay bills.

l) S.A.P. should be enabled to make third party payments directly for clients who are persistently incapable of money management.

Level of Benefit Rates

a) Because of broad policy changes suggested by the Review, no general rate recommendation is made.

b) If a short-term strategy is required, increases are suggested for:

- room and board rates
- children's clothing and food
- restaurant meals

Organization and Relationships

a) Create an Income Support and Employment Division in the Department by bringing together all financial, counselling, referral, education and employment related functions and responsibilities.

b) Create Work Assessment and Preparation Centres or equivalent capacities in each region.

c) In each region expand the linkages between the S.A.P. program and non-governmental referral agencies to include at least Mental Health Services, alcoholism and drug treatment programs, Home Care, most social service self-help groups, and educational programs.

d) Establish in each region a Regional Business Employment Councils whose functions would include:

i) the establishment of a network of private business connections to encourage the private sector to employ under a variety of conditions (and with a number of incentives) clients of S.A.P. who are work ready;

ii) to find and make arrangements to place able S.A.P. clients in volunteer community activities;

iii) to encourage the development in the regions a number of new work projects for S.A.P. clients where products can be produced or services rendered by S.A.P. clients to help themselves and each other;

iv) to stimulate appropriate E.S.P. and E.O.P. projects for the region and participate in the regular evaluation of these projects;

v) to assist regions in any other reasonable way to match S.A.P. clients with available jobs, or create new work opportunities for able bodied clients.

9. ADVISORY AND APPEAL BOARDS

Provincial Level

a) The current Provincial Municipal Advisory Board should be disbanded. Consideration can be given to replacing it by an advisory board appointed by the Minister.

b) The Accreditation Committee should be abolished to be replaced by a limited term, standards development task force, where the new standards when approved by government should be applied to all provincial and municipal S.A.P. units.

c) Following the creation of standards, contracts between the Department and the City Municipal Units of Moose Jaw and Prince Albert should be established to deliver S.A.P. services.

Local Level

a) Regional Advisory Boards in their present form should be disbanded. Local input should be obtained through the Regional Business Employment Council for S.A.P. programs, and from child care and family services planning committees for family service programs.

10. APPEALS COMMITTEE

a) The Minister should continue to appoint the Social Services Appeal Board (provincial) and should also appoint local appeal boards. The provincial board should supervise regional appeal boards. The appeals process would be more quasi-judicial than at present and would be entirely separated from the departmental bureaucracy.

b) Membership on appeal boards should be time limited (perhaps two consecutive terms of two years each at maximum).

c) Training needs to be provided new appeal board members.

d) The scope of the appeal bodies ought to be expanded to hear appeals on any programs of the Social Services Department which offer a personal service to a client.

e) The secretariat to the provincial and local appeal boards should be found outside the administrative units of the Department.

f) The law should be changed to allow the possibility of an appeal board being able to reconsider its own decision.

g) The decision of appeal boards ought to be publicly available (without naming clients involved) and form precedents for later decisions.

h) Wherever possible, the worker presenting the case for the Department to the appeal board should be different from the appealing client's worker.

i) Appeal boards ought to have the power to refuse to hear an appeal on the basis that substantive new information is not available.

j) Welfare advocates ought to be available to rural clients as they are presently to urban clients.

k) The client's right to a S.A.P. application form and an appeal, and the right to be informed in writing of his/her rights of appeal, and the client's right to a decision and reasons in writing after his/her appeal should be recognized and applied throughout the province.

INTRODUCTION

This Review of the Saskatchewan Assistance Plan was commissioned by the Minister of Social Services in January, 1983 with a mandate that required a comprehensive assessment of the Plan in order to provide proposals to address immediate major problems and present options for longer term development. (The Terms of Reference for this Review are found in Appendix A).

The scope of the mandate ordinarily would imply a more lengthy review period, but during the course of the study it became apparent that a number of negative economic and social forces were coalescing to bring the Assistance Plan nearly to an unmanageable state. The urgency of addressing this situation has dictated that an early report to the Minister is necessary in order that some corrective measures can be implemented as early as possible.

The new urgency has been produced by the converging of unprecedented increases in the Assistance Plan caseload on an out-dated welfare system that cannot cope with the demands and needs of this new caseload. There are signs that parts of the system are in the early stages of collapse - most notably in Regina and Saskatoon regions. Symptoms of this crisis are evident. Error rates and over-payments are climbing extensively - now up to 17.5 percent of cases involving a known $2.9M in fiscal 1982-83 (an increase of $850,000 in one year); client caseloads per worker about 125 in 1979-80 increased to an average of 158 in April, 1981 and 180 in A ril, 1983 excluding the static and administrative caseloads.* (Static and administrative cases can involve several hundred cases per worker); almost all information, counselling, client assessment and referral services in the major cities have ceased in order to re-direct workers' time into financial services for clients; waiting time for appointments with workers in May of this year has increased in the large cities to about 3 - 7 days with another two week delay to produce a cheque; the appeals process is back-logging, particularly in Saskatoon and has increased 45 percent in the past year; insensitivity in the system is increasing because workers do not have the time to communicate properly with clients and this has resulted in high rates of complaints to the Minister which are also up by about 45 percent in one year; instances of fraud and alleged fraud have increased 44 percent in the past year and 133 percent over two years (involved 105 cases in 1982-83), although this statistic may reflect more active enforcement and prosecution efforts in 1982-83; worker "burn out" is on the increase with higher rates of absenteeism due to sickness; over-time has increased significantly.

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*Footnote

A "static" case involves only an annual review of a client; an "administrative" case involves four or less contacts a year.

As a consequence of these highly undesirable symptoms, this report has concentrated on providing some practical advice towards a survival strategy for the Plan and its clients - a survival strategy which could be efficient, effective, productive and publicly acceptable.

Some longer term developmental options have also been suggested but these will be of little consequence if the immediate difficulties in the Plan are not addressed.

The emphasis in this report on "productivity" and "practicality" will disappoint some interest groups whose briefs advocated worthy but uncompromising positions. This review sought to find a balance of interests and ideas, appropriate to our times, which would permit positive reforms to the Social Assistance Plan not only in the near future, but also staged over time.

It should be noted that nearly 300 issues, problems and suggestions were brought to the attention of the reviewer. Many of these have been used; but treating and reporting all these matters fully was impossible. A selection of the dominant concerns was made and these are reported in some detail. The remaining issues will have to be addressed later by the Department as a part of its ongoing review of policy.

The long list of predominant concerns, has meant that much available data, evidence and analysis has not been quoted in this document. It is, however, available in the S.A.P. Review archives and in departmental files.

In 1978, a federal government consultant and former Director of Public Assistance in Saskatchewan, Dorothy Zarski, was commissioned by the Saskatchewan Social Services Department to undertake an extensive review of the Saskatchewan Assistance Plan. Her excellent report in 1979 deals with many of the same issues which exist today. For unknown reasons her report was not implemented although many of her conclusions and recommendations are as valid today as they were in 1979. This current review of S.A.P. has adopted a number of relevant Zarski conclusions and recommendations rather than repeat her work.

The main differences between those forces conditioning the Zarski review and those conditioning the present review are:

- The size and mix of the Assistance Plan caseload, where today the caseload has reached an all time high of 29,455 (March, 1983), with 45 percent of the caseload being unemployed but either fully or partially employable. (There was only 27 percent in this caseload category in 1979).
- An economic and labour market forecast which does not offer much hope of absorbing many employable people from the welfare caseload

in the near future.

- Unprecedented pressures of the Assistance Plan's processing system itself and on the capacities of workers.
- Public concern about the non-productivity of employable people on welfare.
- Unprecedented program costs which will increase at a time of heavily constrained government revenues. (S.A.P. costs in fiscal 1980-81 were $94,149,201; estimated costs for S.A.P. in 1983-84 are $172M at the minimum - an 82 percent increase in 3 years.

Another important study of the Saskatchewan Assistance Plan was completed in November, 1982 by the Saskatchewan government's Bureau of Management Improvement. This B.M.I. Report recommended complete automation of the Plan's processing and record keeping system, with a promise of large potential cost savings to the government and large staff savings. The recommendations of this systems review have also been accepted by this current review. The automation recommendations are seen as a crucial element in simplifying the S.A.P. system to the benefit of clients and staff alike, and in making the system easily adaptable to later changes.

Taken together this Review, the Zarski Report and the B.M.I. systems report - provide a comprehensive and detailed assessment of the Saskatchewan Assistance Plan. These three documents are largely complementary.

A survey of the Saskatchewan Assistance Plan clients, their opinions, attitudes, and suggestions, was considered for this review. It was not undertaken because Dorothy Zarski had completed such a survey in 1979 and there was little reason to believe her results were out of date in respect of how clients viewed the present welfare system. What might be of benefit would be a survey of how clients view proposals for changing the Saskatchewan welfare system. There was no time to undertake such a survey after proposals in this report were formulated. The Department of Social Services might want to consider undertaking such a survey when contemplating which recommendations it might wish to implement.

And finally, this review did not hold public hearings. Input to the review was sought by writing individually to about 1,200 groups, agencies, individuals and municipal governments in the province, and by meeting privately with nearly all who requested a private hearing. The list of those groups and individuals who submitted briefs to the review is found in Appendix B. Consultations were held with frontline workers and with other departmental officials. Further consultations were held and information obtained from nearly all provinces and territories in Canada, as well as the federal governments in Canada and the United States.

Regardless, a significant number of petitions or requests from within Saskatchewan were received urging that public hearings be held and pointing out that some individuals who will be most affected by any changes in the Assistance Plan are not able to articulate their views in written form; and yet others affected do not have the time or the volunteer capacity to prepare briefs.

While some will feel that it is negligent not to have held public hearings in preparing this report, the Reviewer did not want to require the poor, disadvantaged and handicapped in our society to bare their distress publicly. Furthermore, in another western province where a similar review is being conducted and where public hearings were held, surprisingly few assistance clients appeared before the public hearings, although many organized groups did.

Given that the total effects of the recommendations in this report, taken together, are great for clients and the government, the Minister may wish to consider further consultations with interest groups before choosing which recommendations to implement - particularly those recommendations dealing with new productive opportunities and longer term directions.

SASKATCHEWAN'S WELFARE PROBLEM

Though it has afforded a basic level of income support for people who cannot provide for themselves, the Saskatchewan Assistance Plan at present has some serious deficiencies:

1. It is essentially non-productive for all concerned in that it has major disincentives and barriers to job preparation, seeking and holding employment, up-graded education and training, self-help, and volunteerism.
2. It entrenches welfare dependency within a short period of time (about 4 - 6 months on average).
3. To a degree it tends to destabilize family life rather than solidifying the family unit.
4. It tends to create an adversarial relationship between workers and clients where the dominant power of the worker and the system can contribute to undermining the client's confidence, dignity, motivation, assertiveness and independence - the very characteristics our competitive society values.
5. It is inequitable and often provides more resources to those who have relatively more initial resources.
6. It is a "subsistence in poverty" program. On any absolute or relative poverty scale, S.A.P. benefits

fall below poverty lines and have ever since the program was initiated. As an income redistribution program it has also been ineffective in that the share of total family income received by the lowest economic quintile in society has changed inconsequentially since S.A.P. was introduced.

7. Administratively the system is philosophically aimless, inconsistent, unbearably complex, inefficient, relatively insensitive to clients' real needs and problems (other than financial), suffocating to the workers, and dehumanizing to the clients.
8. There is widespread public misunderstanding and ignorance about the program.

With characteristics like these, it is little wonder that all sectors having contact with the Assistance Plan express concern, frustration, sometimes alienation, and always a demand for reform and improvement.

Despite the highly negative program characteristics, for 17 years the program in fact has worked, and on the whole has been seen in Canada as one of the better provincial welfare systems.

1. It is relatively cheap compared to other methods

of providing income for the poor (given the historical practice of being relatively stringent in providing rehabilitation services).

2. The program is a "safety net" for client casualties of other income security programs - most notably unemployment insurance.
3. It does in fact provide a basic level of income support to those in need.

Though Saskatchewan's social insurance program has some positive elements, every effort should be made to help people avoid it, and where this is impossible, to make their reliance on it as short as possible so that the debilitating effects of welfare do not destroy the human potential of its clients. Yet quite the opposite has occurred.

Originally the Assistance Plan was designed to become Saskatchewan's only assistance program replacing previous municipal social aid schemes and the categorical programs of old age assistance, blind persons' allowances, disabled persons' allowances, aid to families with dependent children (mothers' allowances) and supplemental allowances for the aged and the blind. As Zarski reports (page 82) "eligibility was to be based solely on need without arbitrary exclusion on the basis of age, sex, family status or disability. It was thus intended to provide easier access to assistance than proceeding programs and to be simpler to administer as a result of the elimination of many of the rules related to categorization of needy persons".

The kind of caseload that this original program entailed consisted principally of the handicapped, the aged and the chronically ill, a very limited number of other permanently unemployed people, and a relatively small proportion of people who were employable but were temporarily without resources. The majority of clients at that time had limited potential for development, advanced education or stable employment.

There is, however, evidence that the original mandate of the program has been broadened without changing the essential orientation and services of the program. Cost-sharing provisions under the Canada Assistance Plan made it financially attractive for the province to subsume under the Assistance Plan as many services, programs and costs related to as many needy people as possible. Throughout the late 1960's and 1970's the program and its coverage were expanded and touched a larger and more diverse group of people.

More people became eligible for social assistance when cash and liquid asset exemptions were increased, when other income exemptions were allowed, when S.A.P. supplemented the low income small farmer, self employed businessman, and working poor. When the relationship in benefit levels in the Family Income Plan (F.I.P.) fell behind those on S.A.P., more working poor shifted to the welfare program. When federal training allowances and unemployment insurance benefits were deficient, when the minimum wage did not meet minimum family needs, when there was a shortage of low cost shelter, more people needed to resort to the social assistance program. And for lack of a contemporary family services program, 16 and 17 year old youths in distress were treated within the umbrella of the welfare program.

These are but a few examples of the diverse reasons which brought a new client to the welfare program. To respond to the needs of these clients requires equally diverse solutions over and above a basic financial allowance - education, jobs, job readiness preparation, low cost shelter, income supplementation of various sorts aimed at different client groups, benefit improvements in other income security programs (like U.I.), and so on. But the Saskatchewan Assistance Plan is not designed to provide or affect these diverse solutions. Consequently the program today is often unable to deal with client needs beyond immediate income assistance.

A major limitation of the cost-sharing arrangements was the inability to cost-share a wage paid to a client. During the 1970's when more employable people became clients of S.A.P., the program could not get approval to develop and implement on a cost-shared basis, an appropriate array of employment related initiatives to help in a meaningful way the employable clients on S.A.P. Although concern about the non-productivity of the employable S.A.P. client has been expressed for nearly a decade, the matter was not seen as paramountly important because of the relatively small proportion of the total caseload which was fully employable. The consequence of these developments for the 1980;s has become painfully clear. There are now no service options and rehabilitation schemes for employable clients (who make up 45 percent of the caseload) which would stream these individuals off the S.A.P. caseload in significant numbers.

In 1966 when C.A.P. and S.A.P. were introduced, other income security programs like Unemployment Insurance, Worker's Compensation, the Canada Pension Plan coupled with private resources were intended to provide income security to most employable people. The economy of the country during the 1970's was sufficiently strong that little thought was apparently given to the possibility of large scale and long-term unemployment for the employed. Nor was much attention given to the problem for young people and women at home trying to make a transition from school to work, or home to work.

Economic conditions, industrial expectations, technological development and social values have changed radically in the past few years with major consequences for the unprepared welfare system.

Today the caseload has increased to an all time high of 29,455 cases at the end of March, 1983, involving 59,724 people. This is an increase of 24.7 percent over the previous year and there are no signs the caseload is going to fall. Forty-five percent of the caseload is fully or partially employable; one-third of the caseload are single parents; the number of young single people is increasing by the month; the duration of people drawing benefits on welfare is increasing.

For the Assistance Plan this caseload phenomenon, both in terms of numbers and mix, is a serious matter. The Assistance Plan is not equipped to deal with the demands and expectations of the large numbers of unemployed but employable people. The program does have a limited capacity to deal with single parents, but to provide any meaningful assistance to single parents requires considerable staff time and resources. Neither the time nor the resources are now available because nearly all attention of the workers has been redirected to processing applications and financial benefits for the crushing new caseload appearing on the door step. The Assistance Plan has virtually no services at all to offer single or unemployed young people, and little to suggest to the middle aged worker who is unemployed and without resources for the first time in his life.

One would not be overly concerned if this caseload phenomenon was thought to be of momentary impact. The realization is now dawning that fundamental changes are occurring in the Canadian and Saskatchewan economies as a result of the recession with the likely consequence that a large number of people will remain unemployed for a very long time and those without resources will remain on the Assistance Plan caseload indefinitely.

The Canadian recession has led to rates of unemployment unprecedented in 45 years. Unemployment in Canada is now about 13 percent of the labour force and is generally thought to be understated because many people who would like to work have given up searching for work and have returned to farms, homes and schools to await better economic times. Unemployment forecasts by the Conference Board of Canada and by Chase Econometrics predict that the unemployment rate will remain above or near 10 percent until 1987.

The adoption of high technology in industry is structurally changing the type and amount of labour required. The endeavour by Canadian industry to become more productive and to produce products and services with internationally competitive prices, is driving out of the work place the marginally productive worker, and is declaring others redundant. The expectation is that labour intensive industries whenever possible will locate in countries with large and cheap sources of labour. Canada is not among these countries. National economic forecasts are for a relatively slow recovery from the recession - at a growth rate which is unlikely to absorb simultaneously the labour potential graduating from schools as well as those who are now unemployed.

Social values have also changed, family breakdown is increasing, single parents are a common phenomenon with 95 percent of these single parent families headed by women and 45 - 50 percent of them living in poverty.

With a prolonged period of high inflation, high and protracted unemployment, slow economic growth and government resources over-taxed, the income security systems have simply proven inadequate to the challenge. Exhausting other sources of income and most personal assets, an ever increasing number of people are falling into the "safety-trap" of the social assistance program. Given the consequences of the welfare system's effects on individuals, it is alarming to contemplate the long-term impact on society of these economic and social phenomenon.

Saskatchewan's welfare problem is, then, that the Social Assistance Program has become the repository for the human casualties of other social/economic policies and conditions which in themselves have become negatively exaggerated at this point in time. The welfare program does not have the capacity or jurisdiction to alter the fundamental causes for the human casualties and therefore must contend indefinitely with a caseload of number and mix for which it is not equipped.

The key issue for the Assistance Plan to address is how to reform itself as a system in order to cope with the urgent task of minimizing the negative effects of the system on its clients and simultaneously preparing clients to engage in new productive opportunities of the future - opportunities which are not yet clear but which may be quite different from these formerly known.

THE WELFARE REFORM STRATEGY

While unemployment is the chief cause of escalating S.A.P. caseloads, the program cannot be expected to solve this problem, although its clients can be potential beneficiaries of any private or governmental initiatives which are aimed at reducing unemployment (such as new industrial ventures, job creation, retraining schemes or extension of Unemployment Insurance benefits). What S.A.P. can do is to prepare its clients so that they have a fair chance of gaining a new productive opportunity, create some incentives for new opportunities to be targetted at S.A.P. clients, and take steps to limit the debilitating and de-motivating effects of S.A.P. on its clients while new employment opportunities are found. Unfortunately, resources are limited and not everyone can be helped equally. This means some targetting of resources and attention is inevitable if efforts are not to be diluted to the point of ineffectiveness.

The thrust of the reform strategy is to reassess clients to identify their potential for self support and then massively simplify and automate the processes of the assistance plan in order to release staff time to work intensively with clients to find productive opportunities which will lead to self support for those clients with the greatest potential for independence.

Take note that the reform strategy summarized below is not an implementation strategy. When implementing, the sequence of events may need to be altered.

In summary, the reform strategy has the following elements:

1. Reassess the clients on the Saskatchewan Assistance Plan caseload and group clients on the basis of their potential for self support and on the identifiable barriers towards achieving this independent status.
2. Massively simplify and automate the administrative processes of the Assistance Plan in order to capture professional staff time.
3. Re-direct this professional staff time and available service resources to work intensively with the high priority target groups for self support.
4. Identify a range of productive opportunities which have the potential to contribute to the goal of client independence and for which clients could potentially compete.
5. Help clients become prepared and able to compete for the productive opportunities. (Note that "preparation" is meant to include not only education and skill capacities, but also personal and practical capacities such as one's motivation,

self confidence, job readiness, job search and interview skills, one's health and home life responsibilities).

6. Reduce the disincentives (or alternatively create new incentives) to encourage clients to seek, accept and hold productive opportunities.
7. Re-organize the management and operation of the Saskatchewan Assistance Plan and related support services to achieve the goals of the reformed welfare system.
8. Increase the involvement of the public, the private and municipal economic sectors, and the non-governmental social service community in reforming the Saskatchewan Assistance Plan and in creating opportunities for its clients to become employed and financially independent.

CASELOAD ASSESSMENT AND TARGETTING

To begin the reform of the welfare system requires a caseload assessment for the purpose of:

1. identifying groups with high potential for self support;
2. identifying groups who might be helped more appropriately in a different program;
3. identifying groups with common impediments to self support;
4. identifying priority groups for staff attention.

Social Assistance Plan caseload data have been analyzed in detail using the March, 1983 statistics. The caseload at the end of March, 1983 was 29,455, involving 59,724 people. The caseload was up 24.7 percent over the end of the previous fiscal year, and the number of people involved was up by 23.4 percent indicating that there was slightly more single people with no dependents on the caseload.

By way of comparison, the March caseload five years ago was 19,098 after an adjustment was made for the 2,400 senior citizens who were on the S.A.P. caseload at that time but subsequently were removed when nursing home costs were largely insured. Caseloads have continued to climb in the spring of 1983 at a time when ordinarily they are expected to drop off.

Analysis of the caseload has largely followed the statistical categories which have historically been retained by the Department. The categories are:

- unemployed (fully employable, partially employable, in-training, seasonal);
    - Involved 14,469 cases or 49 percent of caseload in March, 1983.

- employed (full-time, part-time, sheltered workshop);
    - Involved 4,050 cases or 14 percent of caseload in March, 1983 of which 1,139 cases are handicapped people working in sheltered workshops.

- unemployable (temporarily and permanently);
    - Involved 10,861 cases or 37 percent of caseload in March, 1983.

It should be noted that workers and regions are not entirely consistent in their criteria for assessment which assigns clients to these categories. As a result the analysis can only be approximately accurate. Detailed profiles of these caseload categories are found in Appendix "C1", "C2" and "C3". A summary of the profile of each category follows:

1. Partially and Fully Employable But Unemployed Cases

The review of the employable client caseload indicated that the typical male client was single, aged under 30, with little education or training, and little marketable work experience. He most frequently rents an apartment or suite and has been on S.A.P. for several months at least. By contract the typical female client was a young single mother with 2 children: she also had little education, training and work experience, and has a lengthy S.A.P. history. From this profile, it seems that the typical employable S.A.P. recipient stands little chance of finding employment in the near future given the labour market.

2. Employed Cases

Note that about 28 percent of the employed clients (1,139 people) are handicapped and working in sheltered workshops. Other than these the typical full-time employed case was either a young couple with 3 children or a young single mother with 2 children; most cases dropped out of school by grade 10, about half had some training, and most worked in low skill occupations; the majority rented their accommodations. Part-time employed S.A.P. clients were typically young single mothers with 2 children; only one-quarter graduated high school, half had some training but most worked in low-skill occupations;

the majority rented accommodations. It appears from the data on earnings subsequent to March, 1983 that many of these cases may now be unemployed.

3. Unemployable Cases

This review indicated that the two groups, "permanently" and "temporarily" unemployed, differ substantially from each other. Those coded as permanently unemployable were typically middle-aged, lone beneficiaries, with very little education, training or work experience: most received assistance for age and disability reasons, and had lengthy involvement with welfare. In contrast, the typical temporarily unemployable case was a young single mother, with better (albeit still poor) qualifications for future employment: these cases, many of whom are on assistance due to absence of spouse or unemployment, have a much better chance than permanently unemployables of escaping dependency on social assistance.

The increasing predominance on the S.A.P. caseload of fully and partially employable individuals is noted. The number of employable clients as a percent of the total caseload was 15.1 percent in 1971, 17.5 percent in January, 1975, while by March, 1982, the percentage had increased to 36.2 percent of the caseload and continued to climb to 45.1 percent by March, 1983.

The fact that the percentage of single parents on the caseload has remained steady at about 31 percent from September, 1979 to September, 1982, at a time when the total caseload was increasing, is an indication that there is an absolute increase in the number of single parents on social assistance.

It is reported by field staff that the average age of the newer client is relatively younger. There are signs that the average length of time on social assistance by clients is increasing. This would reflect the general Canadian unemployment data that average duration of unemployment has increased from 15.2 weeks in 1981, to 23.5 weeks in April, 1983, with the hardest hit being those 45 years of age and over. This trend for S.A.P. will likely become more pronounced in the latter part of 1983 if new employment opportunities are not available for clients.

There are some common groupings of the caseload which can be used to conceptualize approaches for programming. These broad groupings are:

a) female single parents - 31 percent of caseload;

b) permanently unemployable clients (particularly the handicapped, aged and mentally retarded) - 15 percent of the caseload;

c) single young people between 18 - 30 years of age - 24 percent of the caseload;

d) unemployed but fully employable - 25 percent of caseload;

e) unemployed but either fully or partially employable - 45 percent of caseload;

f) unskilled and semi-skilled unemployed clients - 95 percent of the caseload;

g) 16 and 17 year old youths - 1.8 percent of the caseload.

Obviously these classifications are not mutually exclusive but they show that the main factors to address in programming are education and employment with special attention to female single parents and single young people. The large percentage of unemployed but fully employable clients should be of special concern. New approaches may need to be considered for 16 and 17 year old youths as well as the permanently unemployable who can gain little through education or employment services.

The overwhelming single deficiency of clients on social assistance is their lack of education and skill training - even amongst those who are classified "fully employable". Without overcoming this deficiency the vast majority of clients will never attain permanent independency because they will not be able to compete and obtain stable employment at wage rates which can sustain a family unit. This observation is confirmed by M.J. Robertson of the Canadian Department of Employment and Immigration in his June, 1983 study of "Long-Term Unemployment In The Canadian Labour Market", says:

> "evidence in this study would indicate that over relatively long periods, unemployment tends to be concentrated among individuals who have multiple spells of unemployment. A large part of long-term unemployment is found in low skilled 'dead-end' jobs as well as a significant proportion in seasonal occupations. Young persons comprise a proportion of long-duration unemployment roughly commensurate with their share of the labour force".

The Review received suggestions for altering the programming approach for some client groups, namely 16 and 17 year old youths on social assistance, the permanently handicapped, single parents, and the fully employable clients. These suggestions are reported here and more general programming recommendations are offered in the later section on "The Creation of Productive Opportunities".

1. 16 And 17 Year Old Youths On Social Assistance

   The problem involves a 16 or 17 year old youth who has left the family home and is supported by the Assistance Plan in an independent living arrangement. The main types of cases involved are:

   a) the pregnant teenager who is either living independently or is living in the protective environment of a home for unwed mothers;

b) the single teenager mother who may or may not have a spouse;

c) the teenager who is estranged from his family, where the family either refuses or is unable to provide any financial support to the teenager;

d) the youth who is estranged from his family, where the parents are prepared to provide some limited amount of financial and other support.

In March, 1983, there were 538 of these cases. This represented 1.8 percent of the total S.A.P. caseload and was a reduction from a year earlier when there were 580 cases representing 2.5 percent of the caseload. Other provinces in Canada report increasing teenager caseloads brought about particularly by an increase in the number of unmarried mothers.

Although the 16 and 17 year old youths represent only a small percentage of the caseload, dealing with the enormously complex family and social problems presented by these individuals in the context of a welfare scheme may be leading to inappropriate decisions for the care of these adolescents and the treatment of their families. Many individuals and groups have expressed concern to the

Reviewer about the manner in which this social problem was being addressed; but there has been considerable hesitation as to the best policy and program approach.

The public concern and hesitation surrounds the dilemma that most in society believe that parents have a responsibility for these youths at least to the age of 18 even though there is an ambiguous legal obligation to do so. There is a further contention that the existence of a social assistance policy which can give independent financial aid to 16 and 17 year old youths is in itself undermining of the family unit and its authority. For some, the existence of this welfare policy is seen as a divisive force between families and their adolescent children where the policy can be used as a threat by either the youth or their parents.

On the other hand there is a recognition that when these youths have left the family home the relationships between the parental family and the youths, for whatever reason, have become so strained and intolerable that a separation of the youth from the parents is desirable if only for a short period of time.

Over the years non-governmental resources to assist troubled families and their adolescents have not kept pace with the increasing need for these services, and partly because there is ambiguity as to who is responsible for the 16 and 17 year old youths, the Department of Social Services has assumed increasing responsibility. Yet the Department has not developed the flexible policies, community resources, or family approaches which are needed to tackle this difficult family life dilemma. To provide the minimum necessities of food, clothing and shelter to these youths, the general welfare system has been used with all of its negative psychological and social features. This approach is now being seriously challenged.

To aid the Social Services Department in resolving the program approach for this client group, some recommendations are offered as potential ground rules:

a) No program or policy of the Social Services Department should give encouragement to the dissolution of family units.

b) The resolution of conflict between youths and their families, and the support services that need to be mobilized to help both parties, ought to be treated as a family service issue and not a welfare issue. Financial assistance, other counselling and support services should be provided from a source other than S.A.P.

c) The expectation for youths to age 18 (and perhaps a later age) should be that they would normally pursue education and training programs to a level of proficiency where they can compete equitably for jobs which will yield an income sufficiently great for self support. Where unmarried mothers are involved, the same expectation should apply along with the requirement that appropriate child care arrangements are made for infant dependents.

d) In all instances for youths under the age of 18, regardless of the living arrangements selected, where the State is involved in supporting this youth in any way, a supervised and supportive living environment should be chosen.

e) Wherever the State becomes involved in the assessment, counselling, placement or other form of intervention service for a 16 or 17 year old youth, the services should be offered with the full knowledge and involvement of the parents, and wherever possible non-governmental community resources ought to be mobilized to assist both the youths and their families.

With these recommendations for ground rules in mind, it would appear that these youths, their families and problems, would be best handled under The Saskatchewan Family Services Act, taking advantage of the much under-utilized Section 9 of the Act, along with the preventive services authorized in Section 6 and 7 of the same Act.

Section 9 of The Family Services Act authorizes the Minister to provide services or assistance as considered advisable by the Minister to those 16 and 17 year old youths who cannot be re-established with their families and are in need of care or supervision, or in situations where there is no parent willing to assume responsibility for this youth. Note that there is no limit on what the Minister may provide so that theoretically, any assistance now provided under S.A.P. could be provided under The Family Services Act as well as additional supportive or supervisory services.

Section 6 and 7 of this Act authorizes the Minister to provide and pay for services in the parental home of a child to enable the parent to maintain the child in the home and to prevent the child from becoming one in need of protection.

Using these sections of the Act, a range of options can be made available to the parents, the youth and to society to assure that the basic needs of the adolescent forcing, wherever possible, the maintenance and development of the adolescent in the family home or in substitute family homes. To date the Department of Social Services has not used these sections of The Family Services Act extensively and as a result it would have to develop appropriate regulations, policies and payment arrangements to facilitate the move from S.A.P. of the 16 and 17 year olds to The Family Services Act.

Reaching a judgment about the best living arrangement for a youth in conflict with his/her family, dealing with the child care arrangements for any infant dependents, addressing and helping the adult parents to cope with these stressful family relations demands mature, experienced and practical judgment from informed counsellors. It should not be assumed that all of these attributes rest solely with officials of the Social Services Department.

The Catholic Family Service Bureau in a submission to the S.A.P. Review, has made it clear that non-governmental social service agencies like theirs are willing and capable of helping this type of youth and family in crises. With the consent of the two principal parties in conflict, the Department might consider the establishment of "case teams" to help deal with both the youths and the families. The case teams could include an appropriate selection of a teacher of the youth, a church official an individual from helping agencies like Family Service Bureaux or other non-governmental social service agencies, a representative from a home for unwed mothers where this applies, perhaps a representative of foster parents, and other individuals or representatives of this sort. This list of possible participants in a case team is not meant to be all inclusive but is illustrative of the kind of interest groups who potentially have a contribution to make to the resolution of this social problem..

Undoubtedly this arrangement for case teams, if adopted, will be more time consuming for departmental staff and in the short term will be more costly for the Department. Nevertheless it should be expected that the eventual arrangements made for the care and supervision of the youth will be better than at present and there might well be cost savings to the total program if better solutions could be found, or a resolution adopted which involves some financial contribution to the estranged youths from their adult parents.

With respect to financial responsibility for the 16 and 17 year olds, the law is not clear if the adult parents have any responsibility or not. On the other hand the Social Services Department seems to be all too quick in assuming that the Department has full responsibility where the youth is not living in the parental home. The where financial responsibility for 16 and 17 year old youths does rest. In the short term a greater effort needs to be taken to encourage adult parents to provide at least some financial support for their 16 and 17 year old children where they are residing in supervised care outside the parental home. Presently an inquiry to parents is made to seek financial support, but beyond this there seems to be little obligation placed on parents.

When considering new financial arrangements, it should be remembered that groups like Martha House (a home for unwed mothers) depends on S.A.P. payments to the 16 and 17 year old youths for the survival of the home itself. Therefore if new arrangements are made, an institution like a home for unwed mothers should probably receive a block grant from the Department's Family Services Branch or a fee-for-service arrangement under The Family Services Act.

And finally, there will need to be further discussions with the federal government about the transfer of these cases from the Saskatchewan Assistance Plan so that cost-sharing is not jeopardized. Preliminary discussions have not found insurmountable difficulties.

Changing the Assistance Plan eligibility criteria to remove 16 and 17 year old youths from independent status, has move was made by the Province of New Brunswick where teenagers 19 years of age and under are no longer eligible for independent welfare assistance. The applicant is required to reside, either in the parental home, or in an approved sheltered environment. Living at home, maintenance support is provided by the parents. Living in a sheltered environment, the province pays $10 per day. In all settings an infant child is supported at foster care rates paid to the grandparents or sheltered home. In any setting, the unmarried mother herself, can qualify for $100 in personal benefits, conditional on her participation in approved educational or training activities.

Therefore it is recommended:

1. That the Saskatchewan Assistance Plan Regulations be amended to require that a head of household be a minimum of 18 years of age in order to qualify for benefits.
2. That regulations and policies under The Family Services Act be developed to enable the accommodation of 16 and 17 year old youths in a range of supervised living arrangements outside of the parental home.
3. That when these policies and programs are completed and approved by the government, the existing 16 and 17 year olds on the S.A.P.

program be transferred to the Family Services program.

4. That consideration be given in the regions to the greater involvement of non-governmental social service groups and other relevant community resources in addressing the case problems of parents and youths in conflict.

2. The Permanently Handicapped

There are about 6,000 clients on social assistance who are classified as permanently unemployable. Of these about 3,600 are permanently disabled individuals (12 percent of the caseload). In April, 1983, the financial needs of this case group were calculated to be $1.7M for the month (about $20M annually).

This client group had $142,000 of income that month ($1.7M annually) which is illustrative of the poor prospects for self support amongst the permanently disabled, and to some extent is also a reflection of remuneration arrangements made by society and non-governmental agencies to reward the handicapped for their productive efforts.

Given the low level of non-S.A.P. income and the fact that permanently disabled individuals could have collectively earned up to $5M annually before S.A.P. would "tax back" the earnings, it must be realized that the quality of life of the permanently disabled is directly related to the benefit levels in the S.A.P. program. These, as have been noted, are well below poverty lines.

Permanently disabled social assistance clients receive virtually no services from S.A.P. itself (except financial), and S.A.P. contact with these clients is rare except for an annual review of their financial circumstance. Even the annual reviews are cursory in that they now can't be done on schedule and may be conducted by mail out questionnaires because there is insufficient staff time to undertake face-to-face interviews.

The majority of services to these clients is offered by Core Services (for the mentally retarded), by the Psychiatric Services Branch of the Health Department, and by an array of non-governmental organizations, like the Association for the Mentally Retarded, the Saskatchewan Association of Rehabilitation Centres (sheltered workshops), the Saskatchewan Council for Crippled Children and Adults, and a host of local organizations to name only a few.

While all these clients are classified by S.A.P. as being permanently unemployable, that description is probably an over-statement of the potential of these handicapped people. It is true that the majority of these clients labour market, but under conditions which accommodate to the degree of handicap of the individual, there is room for growth and productive activity by some of the permanently disabled. Currently there is only a slight advantage for the disabled to be paid a wage in a sheltered environment, the advantage being the difference between what income they make now and what they could make if the income exemption rules were taken into account. Even this slight advantage is not routinely used by the majority of employees of the permanently disabled.

A question that has been put to the Review is why, if we don't provide any service to the permanently disabled except financial, don't we provide this income as a pension or guaranteed income, and then remove these clients from the stigmatic welfare system? In so doing there would be incentives for the disabled and any of their non-governmental support groups, to strive to maximize their limited productive and income earning potential and translate this into improvements in their quality of life.

The Canadian Social Security Review of the early 1970's and also the Canadian Parliamentary Study during the Year Of The Disabled which produced a report entitled

Obstacles, December, 1981, gave encouragement to the belief that a guaranteed income for the handicapped might become a part of the national structure of income security benefits. While this prospect in the foreseeable future is dim, it might be possible to consider a pension or a limited guaranteed income for the severely disabled on a provincial basis. In fact, at least in British Columbia through its G.A.I.N. Program for handicapped people, and in Alberta through its Assured Income for Severely Handicapped Program, some guaranteed additional benefits have been made available to the severely handicapped.

Definition of Guaranteed Income

A guaranteed annual income sets an income floor below which an eligible person will not be allowed to fall. A flat grant (which may be adjusted for income) is mailed to all eligible clients.

Advantages of Guaranteed Income for the Disabled

a) A guaranteed income would improve the quality of life for Saskatchewan's permanently disabled population by paying most clients a more generous benefit than they now receive from social assistance;

b) Receiving a flat grant is less stigmatic than welfare mainly because the needs test is abolished;

c) A guaranteed income may be administratively simpler than a needs-tested welfare program;

d) It would treat disabled people in a way which was comparable to senior citizens (e.g. O.A.S./ S.I.P.).

Disadvantages of Guaranteed Income for the Disabled

a) The additional costs would be substantial (approximately $6.6M after cost-sharing for the most economical option). The reason is that the guaranteed income will have to be set near the need level of the most needy disabled beneficiaries. Setting the guarantee lower would mean many clients would remain on S.A.P. to top up benefits to the level of their need.

b) Cost-sharing incremental benefits of the new program is complex. First, not all of the extra benefit is shareable since the Canada Assistance Plan shares on needs only. But C.A.P. does have a special provision for a flat grant for special needs for the aged and disabled amounting to $125 single or $250 couple; the guaranteed income program can therefore share average basic needs plus this special needs grant. Second, clients would have to fill out annual needs and income reports for cost-sharing purposes (as in F.I.P.).

c) Proponents of a guaranteed income assert that it is less stigmatic than welfare. If true, the take-up by potential clients may be expected to rise and, with it, the cost of the program.

d) Administration would only be simplified if present administration of these cases is excessive. In fact, social workers spend very little of their time dealing with aged and disabled cases. Establishing a new program by removing a segment of the caseload which now accounts for little work is likely to increase administration:

- While administration of S.A.P. would not be significantly affected, a new separately administered program is created;
- The new program would be complicated because a process is needed to allocate clients to either S.A.P. or the guaranteed income scheme. This may entail individual medical examinations, employability determination, and income/asset testing. Discretionary decisions by workers will assume far greater importance;
- Shifting between programs upon changing employability status would require new

application, assessment, and change in benefit level.

e) With S.A.P., the needs test assures flexibility in dealing with clients individually, i.e., needs are currently met by definition. Abandoning the needs test means that most clients would receive more assistance than they need to live in subsistence and some would receive less than they require.

f) Many disabled clients are already served by several social programs. Adding another increases the complexity and confusion especially for those who will still need S.A.P.

Although it may have to be viewed as a longer term proposal, various options for providing a pension or guaranteed income to the severely disabled have been examined as a part of this Review and are included here for consideration. A detailed background paper on the general concept theories of a guaranteed annual income was produced by the Social Services Department and is attached as Appendix D.

Options for a Guaranteed Income for the Permanently Disabled

OPTION A

Establish one flat rate payable to all disabled residents meeting the medical criteria subject to

income and asset tests.

Implications - Positive

- Administration not overly complex;
- Those permanently handicapped in most need get the most help;
- Available income to the handicapped will increase for some.

- Negative

- Flat rate programs are not sensitive to unusual special needs of clients causing distress for some clients;
- Over-payments often occur in income tested programs. Recovery could be a hardship for clients.

Cost: The cost of this option would be an incremental $6.6M annually affecting 3,605 people (see Appendix E for details).

OPTION B

Establish one flat rate payable to all disabled residents meeting the medical criteria with no income or asset tests.

Implications - Positive

Administration would be very simple.

Savings would be achieved by removing this caseload from S.A.P. and just mailing out monthly cheques.

- Negative

Failure to include a needs or income test in the proposed guaranteed income program has several serious implications:

- . The program will not be eligible for cost-sharing with the Canada Assistance Plan since there is no income test;
- . Every provincial resident with a permanent mental or physical disability (estimated at 26,000 people) would theoretically qualify for the program;
- . Income of present S.A.P. cases with such disabilities would not be deducted from payment and costs would rise accordingly;
- . Some people with considerable financial resources would qualify for the program.

Cost: This option would range between an incremental $41.2M and $171.9M (see Appendix E).

OPTION C

Establish one flat rate payable to all disabled residents meeting the medical criteria subject to income and asset tests but exempting all earned income.

Implications - Positive

Those who work will derive full financial benefit from their efforts.

- Negative

- . An estimated 1,400 additional cases would qualify for this benefit as a result of the income exemption. Preventing these new cases from receiving the benefit would cause great discrimination between those handicapped now on S.A.P. and those working with very low incomes.

. There will be pressure from the employable S.A.P. recipients to demand any work incentives offered through a guaranteed income program for the disabled.

Cost: This option would cost an incremental $17.6M (see Appendix E).

OPTION D

Establish a guarantee for all permanently disabled residents in the province meeting the medical criteria with two components: a flat rate and a shelter allowance.

Implications - Negative

. Separating shelter needs from the guarantee creates some administrative complication. Determining who qualifies for what amount of shelter allowance necessitates a needs test. This would partially defeat the purpose of a guaranteed income which by definition pays the same flat grant to every eligible client so that simplicity is maintained. (Another option, a flat grant for shelter, would be inequitable since shelter needs vary so much, and there would still have to be some sort of means-test upon application to determine who gets the extra grant).

- Paying institutions directly would account for less than one-third of all disabled cases (i.e., most live independently) so this potential cost-saving mechanism is not practical.

Cost: This option would cost an incremental $8.1M (see Appendix E).

OPTION E

Rather than establish a separate guaranteed income program to benefit the disabled, simply institute a $50 special disability allowance under the present S.A.P. program. Additionally these could be coupled to more generous earned income exemptions (recommended later for all working S.A.P. clients). Alternately one could exempt all earned income of this S.A.P. client group (at a cost of $100,000 - note that a 100 percent exemption will lead to inequity with other non-S.A.P. handicapped in time).

Implications - Positive

- The disabled population on S.A.P. would benefit from the extra allowance;
- The full cost of the program should be shareable;
- There should be very few administrative problems if the caseworker or supervisor is allowed to decide who qualifies.

- Negative
  - The stigma of being on welfare would not be removed;
  - The new allowance may create financial incentives for clients to pressure social workers into classifying them as permanently disabled.

Cost: This option would cost an incremental $1.1M annually. (See Appendix E).

Conclusion:

The overriding impression one receives when reviewing the options is the high costs of all approaches mainly brought about through "averaging up" benefits of low cost cases, and increasing the number of eligible people to overcome discrimination amongst permanently handicapped people. The second impression is the considerable difficulty one will have in fairly defining who is "permanently handicapped" and thus eligible for additional benefits.

Nevertheless it is a desirable goal to attempt to remove the severely disabled from the public assistance caseload, to offer encouragement for the handicapped to improve their quality of life with some assurance of a minimum guaranteed income coupled with an assurance that any other income earned through their own efforts could be retained for the further improvement in their lifestyle. Such a scheme would also give encouragement to the non-governmental agencies to adjust their programs and policies to complement the overall social goal. No doubt the severely disabled would be better off if their financial support could be divorced from the public assistance scheme at a level which assured a reasonable living allowance.

It is recommended therefore that the Government move in stages towards the goal of a guaranteed income for the permanently disabled by considering first the financial feasibility of establishing one flat rate payable to all disabled residents meeting the medical criteria subject to income and asset tests (OPTION A). If this is not financially possible at the moment, consider OPTION E - the institution of a $50 per month special disability allowance under the present S.A.P. program coupled with more generous earned income exemptions. This latter option contains the essential features of the B.C. and Alberta programs.

3. Single Parents

The single parent family on social assistance is the most important caseload group to approach with creativity, determination and flexibility. Over 95 percent of these families are headed by women. Their plight is serious as is the predicament of their dependents.

The following text speaks mainly about the singe **female** parent because this is the predominant type of single parent. Nevertheless there are a few male single parents whose needs are just as acute. Suggestions made for the single parent should be seen to apply equally to males and females.

The average single mother is under the age of 35, has one or two children to support, has no previous training or experience for any kind of employment, and has been on welfare assistance at least three times in the past ten years, with the prospects of becoming independent of the welfare system growing more slim as the mother grows older. Only 54 percent of the female single parents have grade 10 education or more. In the labour market these individuals are the last hired and the first fired. It has been reported that many female single parents are isolated, lonely, and often lacking in self confidence. They are trapped in the welfare system not only because of their lack of financial resources, but also by their child care obligations and by a welfare system which has removed or limited nearly all incentives for the single mother to get ahead on her own initiative.

No less is there a hazard for the children of single parent families. The Assistance Plan is a poverty program. Families that are dependent on this program for long periods of time are raising children in poverty. The child in these circumstances has a greater likelihood of ill health in infancy, in childhood and throughout adult life. The child faces a lesser likelihood of finishing high school; lesser still that he will attend university. He faces a greater likelihood that he will be judged delinquent in adolescence and, if so, a greater likelihood that he will be sent to a correctional institute or program. These children will have less nutritious food, minimal clothing, poor quality housing, few recreational opportunities which require any special equipment, clothing or fees, and few personal development opportunities not offered through the school system. The conditions of these children and their prospects define the very conditions which lead to a second generation of welfare families.

It should come as no surprise that many of these families, deprived of motivation and opportunity, develop deep feelings of hopelessness, lethargy, anger and alienation.

The single parent family represents 31 percent of the Assistance Plan caseload, and the absolute number of single parents on assistance is increasing by the year.

Social assistance data illustrate that when single parents have been continuously on social assistance for more than 4 - 6 months, their chance of regaining independence decreases sharply. Financial assistance by S.A.P. to single parents is more than 50 percent of expenditures to all persons on S.A.P. who are not classified permanently unemployable.

Therefore it appears that the single parent caseload consumes not only a large percentage of absolute dollars, but these expenditures will need to be made for a much longer period of time unless ways are found to assist the single parent to regain independence. There is a compelling case for departmental programming and policy to be streamlined in aid of the single parent family in order to help as many single mothers as possible become independent of the welfare system, to improve the prospects for children in poor families and to reduce the state cost of maintaining these families over time. Reform of the assistance program needs to remove barriers to this independence by:

a) Addressing the limited education, training and work experience of female single parents;

b) Attempting to shorten by any reasonable means the length of involvement of single parents with the welfare system;

c) Removing obstacles to the provision of child care for working mothers, or mothers in training, or those involved in self-help activities;

d) Removing disincentives for families to improve their overall well being by self initiated efforts.

Full independence from the welfare system can only be achieved if single parents find permanent jobs that yield incomes which meet the family needs. Partial independence can be obtained by engaging in some activities (e.g. volunteer services, self-help activities, peer group involvement, part-time employment) which at least yields psychological and partial material independence from S.A.P.

It is recognized that not all single mothers will be able to work outside the family home, or are willing to work while they have child care responsibilities. It is also known that many clients limit their monthly hours of work to avoid the 100 percent taxback on earnings if they earn more than the minimal exemption allowed. In its brief to the S.A.P. Review, the Women's Division of the Department of Labour has stated that 58 percent of the single parents on welfare want to work, while 50 percent of single parents on welfare would work if suitable child care were available.

It is recommended therefore that the aim of the social assistance intake and assessment process should be to identify those single mothers who want to work and help these individuals become work ready as quickly as possible.

Incentives can also be put in place to make it more attractive to be working or training at least part-time than not working or training at all. For those other single parents who cannot work, the S.A.P. program needs to provide a family living allowance, but also connect the single parent and children to self-help and mutual support groups, and to better recreational opportunities.

a) Specialized Intake and Assessment Unit

At the first point of contact with the Assistance Plan, the single parent should be streamed to a specialized intake assessment and counselling unit. In some instances, S.A.P. workers in these specialized units will need further training or up-grading of their skills and knowledge.

The specialized single parent workers should attempt to assess the future potential of the single parent and refer the client to appropriate other helping agencies like the Contemporary Women's Group, to educational programs, to self-help organizations, etc. This specialized worker would also be responsible for determining the initial financial need of the client.

Using specialized workers for single parents is fairly readily achieved in Regina and Saskatoon where there is a high single parent caseload. It is less easy to achieve in other regions but in the other regions it would at least be possible to assign some workers on a part-time basis to specialize in single parent caseloads.

b) Group Intake

Wherever possible intake, counselling and referrals should be done in groups (or at least part of these functions ought to be performed in groups), so that the single parent begins to make contact with other individuals in similar circumstances with the object that peer groups might form for the purpose of self-help and mutual support. The social worker ought to make every effort to encourage the establishment of client peer groups, and it is to be hoped that these peer groups might stay together as clients move on to other "helping" agencies.

c) Departmental Co-ordinator for Single Parent Policy and Programs

To oversee and stimulate the improvement and co-ordination of departmental policies aimed at single parents, there is a need to name one person in a central office position (in the Social Services Department) to assume these developmental and co-ordinating activities. Aside from co-ordinating the development of policy for the assistance program, this consultant should keep in touch with other government agencies which have programs and policies impacting on single parents. The object is to see that government policy is complementary in its effects on the single parent as opposed to conflicting. This co-ordinating activity might also help to reduce some of the duplication of effort throughout government in researching and programming single parent issues.

d) Use and Role of Non-Governmental Agencies

While the Department ultimately has a legal responsibility to provide financial and rehabilitation assistance to single parents eligible for welfare, there are a number of very capable non-governmental agencies which now provide integrated assessment, counselling, referral services and employment assistance for clients. Some of these N.G.O.'s encourage the development of client peer groups.

The existence of non-governmental social service organizations is a community resource of considerable importance to the social assistance program. Unfortunately the potential contribution of these non-governmental agencies has neither been fully achieved nor well recognized by the Department. At the moment N.G.O.'s could not handle the volume of essential services required by single parents - even in the largest cities.

It is suggested that non-government social service agencies be encouraged and expanded to assume responsibility for all essential services to single parents except financial, consistent with the geographical location of N.G.O.'s and clients.

The Department needs to establish contract arrangements with these N.G.O.'s to assure that both the N.G.O. and the Department have a clear understanding of what is expected, what financial provisions are available and what measures will be applied to assess their performance.

e) Education of Single Parents

Please take note that more extensive and generally applicable remarks about education for all S.A.P. clients will be made in the Chapter on The Creation of Productive Opportunities.

It has been identified that the chief barrier to independence for a single parent is lack of education and training. The Assistance Plan, the federal manpower and training program (C.E.I.C.) and the provincial education system have a number of barriers or other hurdles which restrain the social assistance clients from taking advantage of an educational opportunity.

When interpreting the S.A.P. program and arranging possible rehabilitation programs for clients, S.A.P. workers seem not to have been encouraged to use the educational option. Placement of a client in an educational program is more costly than doing nothing with the client and it also implies financial support to the client for the duration of the educational program. Some technical educational programs may be up to 2 or 3 years in length.

If one believes that the single parent is likely to be a relatively short-term case on welfare, agreeing to long-term financial support for a client's educational program may seem like a costly answer to the problem. One needs to accept however the reality that without training and work experience single parents on the average will remain dependent on the welfare program for years and perhaps indefinitely. Therefore investing in the education of a single parent should be seen as a productive and reasonable alternative to pure financial support of the single parent at home.

Most clients are encouraged to seek educational support from programs of the Canada Employment and Immigration Commission (C.E.I.C.). But there are limits on who C.E.I.C. will support, what education they will support, and for how long. C.E.I.C. supports only the attendance of full-time training programs (when many single parents can only handle part-time training), for programs up to 52 weeks in length (when much technical training is 2 years in length). Candidates are not eligible for C.E.I.C. support unless they are 17 years old, but to write a G.E.D. exam (General Educational Development), a person must be 19 years of age. Potential candidates must compete for the available training places arranged by C.E.I.C. The result even for eligible clients is a long waiting period at times estimated to be up to 2 years in length.

Furthermore C.E.I.C. training allowances are not sufficient for a single parent to attend school and raise a family. If a candidate is accepted by C.E.I.C. for a training program and is given a training allowance, the full amount of this allowance is deducted from S.A.P. entitlements.

In summary unless the federal C.E.I.C. program rules are modified, the majority of single parents who could benefit by education either will not obtain this education, or will obtain a form of technical education which severely limits their future potential for financial independence. Any advanced post-secondary training is virtually impossible.

Every effort should be made to negotiate improved educational policies with C.E.I.C. But failing this, it is recommended that S.A.P. policies be revised to be more educationally supportive of single parents who are assessed as requiring further education or training.

The S.A.P. regulations currently prevent single parents from being subsidized while taking university training until they have received S.A.P. benefits for 12 months. This regulation is designed to prevent S.A.P. from becoming an alternate source of support for higher education; but it clearly is a barrier for the client to receive the kind of education which can lead to the type of employment and wage which can further lead to independence. It is recommended that this regulation be repealed.

Another barrier drawn to the attention of the Review was that of the single parent trying to obtain an education and acquiring a large student debt which cannot be repaid on completion of an educational program.

It is recommended that the Department of Advanced Education and Manpower review this problem to assure that repayment rates do not, or would not require a student to return to the welfare program as a consequence of mandatory student loan re-payments.

Two other facts relevant to the educational system should be noted. There are a large number of welfare clients who have not achieved a grade 7 level education. C.E.I.C. will not support basic education below the level of grade 7. The regular school system for this type of person is really not an option because of the substantial age differential between those in the regular school system and the welfare client. If an attempt is made to overcome some of this educational deficiency for the client, the primary and secondary system may need to review its programs of special education or the Community Colleges could be asked to play a larger role in Adult Basic Education.

Secondly, the single parent may find it simply impossible to attend school full-time and attend also to her multitude of family responsibilities. Part-time schooling is a real option to pursue but this would require tailoring some educational program and also the policies of the support systems to facilitate part-time education.

The priority placed on offering single parents new educational opportunities may be interpreted as discrimination against the female spouse in a two parent family. Priority is placed on the female single parent because this person is the sole bread winner in the family. If the efforts to improve the condition and independence of single parents are successful, consideration should be given to broadening the program to include other women on social assistance.

f) Child Care

Child care for the single parent can be a significant difficulty for a mother who is working, looking for work, or in a training program. A number of problems and suggestions have been made to improve the present situation.

i) There is a day care program for the children of unmarried mothers who are attending high school at Balfour Technical Institute in Regina. The proximity of the day care program to the educational program for the mothers is an ideal arrangement. This kind of day care program ought to be encouraged elsewhere in the city and province.

ii) The intent of the present provincial day care program and its associated subsidy scheme is to assist low income working families. Nevertheless the establishment of a day care centre under the provincial program still prefers a parent board and extensive parental involvement in the development of the centre itself. In most instances single mothers involved in training programs or work simply do not have the time to fulfill the obligations of parents currently expected by day care centres. While one does not want to reduce unnecessarily the involvement of parents in day care centres, the Department needs to encourage more actively the development of day care centres where "substitute" parental involvement can be found such as church controlled day care centres, Y.M.C.A. centres, etc.

iii) The practice of the Department is to wait for parent groups to approach the Department seeking help to organize day care centres. This requires some initial organization and time by interested parents. As a result day care has too often been established by parents who are less needy than those on social assistance. An effort could be made by the day care development workers to identify neighbourhoods with a high proportion of single parents, and take the initiative to establish day care arrangements under terms and conditions which facilitate the further education, training and employment of the single mothers, making accommodations for the limited time of single parents to participate in the day care program.

iv) Where parents who need day care are located in smaller groupings, the answer can be found in the establishment of an approved day care home. The most obvious way of making these arrangements is to permit an unemployed single parent in the area who does not wish to take training to establish the required day care home. But again there are barriers to this arrangement which should be re-examined by the Social Services Department.

. Physical Arrangements

All family day care homes must meet the health, fire and other safety conditions of the Day Care Regulations and of the municipality in which they operate. As well, the home must have adjacent to it, suitable and safe outdoor play space. The requirements for space and for meeting safety standards may be a constraint on those single parents who live in older and less well maintained homes. If the home is rented there may be additional problems in paying for necessary renovations.

. Payment

Social Service Regulations require that certain basic equipment exists for the care of children in day care homes. For instance, homes providing infant care must have cribs or playpens for each infant, and adequate sleeping accommodations for children over 6 months of age. Obtaining this equipment requires a considerable initial expenditure, in excess of the $50.00 equipment grant for which homes may apply. As well, there should be adequate toys and play equipment, suitable for the age level of children at the home. This again requires that the day care home operator make a substantial purchase of equipment prior to obtaining a day care licence. Most single parents on welfare would be unable to afford these initial purchases.

. Training

Although there are no formal training requirements for day care home operators, they still must be able to provide programming and activities appropriate to the ages of the children attending.

. Number Of Children In Home

Family day care homes are only licensed for up to eight children. There are also limitations on the maximum numbers of infants, pre-school and school-age children allowed in any one home. In all cases, the operator's own children are included in this total. Therefore, the number of day care children a person may look after, is reduced by the number of children that the parent herself has.

. Effect On S.A.P. Income

If a single parent on S.A.P. also operates a family day care home, the first $25.00 of the monthly payment per child is considered an "expense necessary to maintain the child" and is not counted as income. Above that, the remaining net income is considered earnings upon which the standard earned income exemption is allowed and the remainder of income is taxed back at 100 percent.

. Saskatchewan Housing Corporation

Where a potential day care operator lives in a home rented from the Housing Corporation, she may not use that accommodation for providing day care. The Housing Corporation does not allow any businesses (including day cares) to be run out of their subsidized housing units since this would amount to an indirect subsidy of the business. There has, however, been some recent development of day care centres in conjunction with new and existing public housing projects and the Housing Corporation indicates that it is supportive of such developments.

g) Financial Support

Single parent families have three principal means of financial support: alimony or child support payments from husbands, jobs or social assistance.

Less than 11.9 percent of all female single parents' income comes from maintenance payments. Less than 50 percent of all court ordered maintenance payments are being paid regularly 6 months after the Court Order. At the present time residents of Saskatchewan must obtain maintenance orders and initiate enforcement proceedings on their own time and at their own expense.

Women on welfare do not have the resources to hire legal assistance to pursue maintenance payments from former spouses and under present S.A.P. policies would not in most instances benefit personally because the maintenance payments would be subtracted from S.A.P. payments. The Legal Aid system has been unwilling to devote much time to assist single parents to obtain maintenance payments. The result is that many court ordered maintenance payments are not collected in Saskatchewan and the welfare system in effect makes up the loss of these uncollected maintenance payments for its S.A.P. clients. The Social Services Department has estimated that it could reduce its welfare costs by $1.5M annually if maintenance orders were sought and enforced (although the size of cost saving is still being debated).

Where the size of a maintenance order equals or exceeds the level of S.A.P. payment, these single parent families could come off the S.A.P. program. Every effort should be made to help single parents obtain maintenance orders at a level which makes them independent of the welfare system.

Saskatchewan has lagged behind other provincial jurisdictions in aiding in the enforcement of maintenance orders. The Law Reform Commission of Saskatchewan and a jointly funded federal/provincial report by Ellen Schmeiser on a proposal for a system of maintenance order enforcement in Saskatchewan recommended implementation of automatic enforcement with strengthened enforcement mechanisms. These recommendations have not been implemented to date.

Yet other Canadian and U.S. jurisdictions (like the Ontario Parental Support Program) which have implemented this system, claim it offers a net saving to the State. In the mid 1970's the U.S. Congress passed a law requiring recipients to co-operate with the State in establishing paternity and securing child support. The Americans have not enforced this law vigorously although where they have it has been found cost effective. Collections have substantially out weighed administrative costs. What is also known in the U.S. is that 87 percent of single mothers have a living spouse who is working and could provide some maintenance support. Only 30 percent of the maintenance orders are enforced and the amount collected equals 6.7 percent of the State support payments to the single families. The Americans are planning to intensify their effort to collect maintenance payments.

h) Employment

After education and training is acquired, the key motivation for employment is that clients should be financially better off working than staying at home. This depends on the actual wage rate earned and the departmental rate of "taxing back" earned income. Income incentives are treated in detail later in this report.

A further point to remember is that some single mothers will need help initially breaking into the work force as they do not have an established work history on which employers can rely as a reference or they have a work history which is outdated after several years of absence from the work force while attending to child care.

As a point of information, during most of the 1970's in the United States efforts have been made to get welfare recipients into the labour force by way of manipulating the tax-back on earned income. Most of their proposals had a marginal tax rate of about 67 percent after a $30 exemption. The Reagan administration gave up on the notion of trying to "persuade" welfare mothers to work and instead opted for a categorical rule which has now been written into law, specifying that welfare recipients whose children are 3 or older "must" register for work or job training and "must" accept jobs even at the minimum wage, if child care is available. As many critics of the Reagan program have observed, the present regulation would impose an effective marginal tax rate of 100 percent - or even a net loss of income - on certain kinds of recipients who went to work. Given these powerful disincentives, it is doubtful the approach can work even when unemployment falls to a level where most single mothers could find work.

The Ontario Ministry of Community and Social Services began a program called the Employment Support Incentives Program June of 1982. It is a program for sole support parents, primarily women. The program uses specialized workers for assessment and subsidy. It also uses the group intake model wherein it takes 50 women on a two week prep course and then provides 10 weeks of unpaid job placements as well as supplementary courses and subsidy.

Principally, this pilot program tries to address barriers affecting sole support parents re-entering the work force. The total amount of special support is not to exceed $125 per month, except for special consideration to assist entry into non-traditional work.

So far the general assessment is that the program is working well in the three test communities.

Most other provinces have established incentive programs of a similar sort, some targetted to single parents and some to the general unemployed by employable group.

i) Self-Help

Single parents should be encouraged to develop self-help groups to deal with their problems of parenting, loneliness, lack of confidence, etc. It should be recognized that different groups of single parents have different needs. For example, the emotional, vocational and child support needs of older women may be substantially different than those of younger women with pre-school children. The notion of self-help groups can be seeded by the social worker when she is dealing with group intakes. N.G.O.'s to which clients are referred might well take on the responsibility of assisting groups of single parents to form these self-help groups. Once organized, these self-help groups should be able to assist single parents in concrete ways other than emotional support and recreation. Group transportation arrangements could be worked out, emergency day care assistance could be offered.

The children of single parents also need support mechanisms. Some of these can be found in the existing Big Brother/Big Sister arrangements. Some N.G.O. should be encouraged to initiate a foster grandparent program to supply missing family roles and role models for the children and to link elderly people with time to devote to children in need. As much as possible such services should be developed on a self-help or neighbourhood community volunteer basis.

4. Fully Employable Clients

In March, 1983, there were 7,453 unemployed but fully employable clients on social assistance, accounting for 25 percent of the caseload. In addition, there were 5,836 partially employable but unemployed clients, accounting for an additional 20 percent of the caseload. Taken together these two case categories account for 45 percent of the entire S.A.P. caseload. Indeed the percentage of unemployed but fully employable clients may be even greater than 25 percent of the caseload because there is some reason to believe that the unavailability of jobs in the market is causing some workers to lower their expectation of clients and classify more "fully employable" clients as "partially employable".

Regardless of the classification of these clients, what we do know about these people is that their education and training level is low, their job experience is extremely limited in time and is related mainly to unskilled and seasonal jobs. Given the overall economic forecast it is difficult to believe that large numbers of the fully employable and partially employable clients will obtain work in the near future.

The fully employable client finds himself on the welfare program mainly for three reasons:

- He is a young person, having recently graduated from a training program, and has not yet been able to break into the job market. This person has accumulated few if any unemployment insurance credits.

- He is a person who has exhausted all of his Unemployment Insurance benefits.
- He is a seasonal employee, or one who cannot hold permanent employment, who has few or no unemployment insurance benefits.

Across Canada as well as in Saskatchewan, the rapid rise in the welfare caseload is directly related to the level of unemployment in Canada, to the inadequacies and exhaustion of unemployment insurance benefits. If it were not for a lack of minimum financial resources to live, these people would not find themselves on the welfare program.

Leading social policy developers and decision makers in Canada are generally of the opinion that it is inappropriate to deal with this unemployment problem within the context of the welfare system - particularly since there is increasing hard evidence that the unemployed employables on social assistance, as well as long-term unemployment in the general labour market, is becoming a long-term phenomenon (see Appendix F for evidence). Compounding the problems of the unemployed fully employable people in our midst by providing living allowances to them through the stigmatic welfare system is an unwanted burden for the unemployed client and an unnecessary burden for the welfare system itself. Furthermore, in Saskatchewan, the welfare system as has been mentioned earlier, is not well equipped with employment-related services to help the employable client. It is recognized though that both fully employable and partially employable clients may need basic training, re-training, up-graded skill education, training and assistance to improve their job search skills. These types of services could be offered through a welfare system, or just as well they could be offered by a Labour Department program or perhaps a program of the Department of Advanced Education and Manpower.

A preferred option to consider and negotiate with the federal government is to extend benefits under unemployment insurance throughout the duration of the period of high unemployment in Canada, or alternately create a "bridging" program for the unemployed to fall between the point when U.I. benefits are exhausted and before a person needs welfare assistance. The program would need to include a basic living allowance, tied to family size and need, and probably would not be much different than the present S.A.P. rates. Tied to this basic living allowance could be coupled the re-training, job readiness and job search programs that will be needed for most clients. The program should be at least 50 percent cost-shareable with the federal government because the federal government would have absorbed at least 50 percent of the cost of maintaining these individuals and their families if the individuals were on welfare or on unemployment insurance. There might also be some better linkages with job creation efforts of the federal government and the province through such a new scheme.

The program could either be administered by the federal government or by the province, or even indeed co-operatively, but there is some additional incentive for the province to participate very actively in this program because failure of the scheme will cause the clients to revolve to the welfare system.

At the present time there seems to be a considerable dilemma in the country in approaching services for the unemployed, particularly those who have exhausted their U.I. benefits. The federal Health and Welfare Department would prefer not to deal with the unemployed employables under the Canada Assistance Plan and realizes that solutions are wanted to offer productive opportunities to the unemployed (rather than keeping them on welfare). Productive opportunities mean work and wages. At the moment the C.A.P. program feels it is beyond its jurisdiction to move broadly into job creation, new work activities for recipients, or to convert welfare payments to wages. (Indeed this might currently violate their Act). On the other hand C.E.I.C. appears to be relying on old, short-term solutions and make-work projects to mitigate against the hardship of unemployment. But if unemployment is a long-term phenomenon, short-term make-work answers will be found to be unsatisfactory.

It seems necessary to find a range of new opportunities or alternatives to deal with the unemployed by using finances which already exist through the welfare system (both federally and provincially) and through the Unemployment Insurance Commission, and to then hold high level discussions with federal ministers in the hope that the regidity of federal jurisdictions can be relaxed so that different approaches can be tried in the provinces without the loss of federal cost-sharing.

It has also been found in discussions with other provincial jurisdictions that the characteristics of the long-term unemployed and those unemployed but employable on welfare, differs amongst regions of the country. No common solution should be expected or employed by the national government. Regional and local solutions and experiments should be encouraged.

Meanwhile provinces are attempting to find ways of dealing with the employable welfare clients mainly within the restraints of the Canada Assistance Plan by treating education and job-related services as "rehabilitation" and linking some short-term job creation to "work activity projects" which are cost-shareable under C.A.P., and other job creation activities to C.E.I.C. initiatives and the federal NEED Program. Frequently these employment related services are a part of the welfare program but are packaged under a different label to minimize the stigma for clients.

Only a few examples are quoted below but it should be noted that most provinces have some ventures in place to move a limited number of employable welfare clients into jobs.

A. British Columbia Initiatives

The Ministry of Human Resources operates what is referred to as the Individual Opportunities Plan, in which social workers and employable clients jointly develop and pursue employment rehabilitation plans. These may include vocational training or upgrading, job readiness training, placement efforts, etc. Other available benefits include allowances for tools and transportation, medical/dental coverage, and an income supplement of up to $100 per month. The program allows for training or training-on-the-job placements while normal assistance and the income supplement continue.

Another component of the Individual Opportunities Plan is the Job Action Program, which is an intensive training regime designed to increase job search skills. The Ministry also jointly administers with the Ministry of Labour a program of wage subsidies for employers who accept social assistance clients into training-on-the-job placements.

British Columbia has experimented in the past with other options, such as lower tax-back rates for social assistance - that is, allowing recipients to keep a larger proportion of earnings from employment. The experiments did not seem to increase the employment of social assistance recipients, presumably due to inelastic demand for their labour. Other short-term alternatives have been attempted, including a program of wage subsidies to employers creating new jobs and hiring welfare recipients.

Ministry staff consider these individual-oriented programs to be very successful although the program, with the possible exception of the current wage subsidy program, cannot deal with the lack of job opportunities available in society. As in other jurisdictions, caseloads have continued to rise in B.C. as the economic recession continues.

The province and the federal government now have in place an Employment Bridging Assistance Program in the forest industry. Forestry-related projects with some longer-term benefit have been set up to employ laid-off forestry workers on Unemployment Insurance. Wages are provided by Unemployment Insurance (maximum $240 per week) supplemented by provincial funds ($60 per week). Jobs may vary in length from a few weeks to several months. The scale of the program is now about 1,000 jobs, but this is expected to increase as some serious administrative problems are cleared up.

The province hopes to expand the Employment Bridging Assistance Program approach beyond the forest industry, to include other industry-related project employment, and community-based activities. A target of 10,000 jobs has been set.

Attempts are being made to design a similar program in which work placements are offered to welfare recipients, who would receive a wage consisting of their normal allowance plus a top-up provided by the province from other funds. The major stumbling block is the possible loss of cost-sharing for the social assistance portion, since the Canada Assistance Plan is unwilling to cost-share job creation expenditures.

The province may try to solve this difficulty by defining only the supplement portion as wages. These would be subject to the usual income exemption provisions of social assistance, which according to C.A.P. guidelines allow $95 per month for the single person, $190 per month for the family, or 25 percent of total assistance, whichever is greater. (Note: Saskatchewan's income exemption is lower than the maximum permitted by the federal government for cost-sharing purposes).

If the decision is to top-up within the range of C.A.P. cost-sharing limitations, the program would provide limited financial incentive to welfare recipients to work, although it would offer the less tangible benefit of continuing attachment to the labour force. Officials are hoping that such employment could be classed as insurable for U.I. purposes, this increasing the attraction to the welfare recipient.

For obvious reasons, the province is first focusing on cost-shareable options such as the above. Failing this, programs which are 100 percent provincial-funded may be considered.

B. Alberta Initiatives

The Alberta department of Social Services and Community Health operates an employment rehabilitation program for social assistance clients, called the Employment Opportunities Program. Employable persons are referred to this program after one month on assistance.

The Employment Opportunities Program is intended to complement employment-related services of the federal government and of the province's Advanced Education and Manpower department. Delivered by specialized counsellors, the Employment Opportunities Program can provide assessment, individual and group counselling, access to vocational training, job readiness training, etc. Supplementary benefits and supports such as tool and work clothing allowances, auto insurance premiums and child care expenses may be provided. Counsellors are also involved in arranging work training and regular employment placements for clients. The Employment Opportunities Program carries a caseload of about 3,500, which is considered to be only a small proportion of the potential caseload, were sufficient program resources available.

The Social Services and Community Health Department also manages a program funded by Advanced Education and Manpower, which finances supernumerary placements of social assistance recipients in government departments for up to six months. These placements, mostly in clerical work, currently total about 120 jobs. Clients are provided with on-the-job training, and the wage rate of $5.50 per hour usually removes them from assistance. Most of the program's users at present are single parents. Program expenditures for the year will be about $1.5M.

The Advanced Education and Manpower Department also funds a broader range of employment support, mostly through placements in government departments and agencies. The Priority Employment Program, for example, provides four-month jobs over the winter months within government. This year's allocation is expected to be well in excess of $10M, providing over 2,500 jobs, in both the public and private sectors.

A similarly structured Special Placement Work Experience Program provides government employment placements for up to six months for disabled people. Current budgets provide for about 80 places, at a cost of $400,000. The Summer Temporary Employment Program this past year provided about 4,000 student jobs in provincial and municipal governments and in private businesses, for an expenditure of about $6.5M. In addition to direct employment expenditures, the same department also funds a number of employment-related organizations (e.g. Native Outreach, older workers' groups, etc.) through grants.

C. Ontario Initiatives

Ontario has a two-level welfare system, with most employable persons receiving assistance through the General Welfare Assistance Program (G.W.A.) delivered by the municipalities. These are, as in other provinces, subject to a work requirement, but few specific employment resources are available beyond normal social casework.

The provincially-administered program, Family Benefits (F.B.A.) is aimed mainly at longer term cases, either disabled or unemployable by normal labour market standards. The Work Incentives Program (W.I.N.) is available to Family Benefits (F.B.A.) recipients who are able to find full-time employment and give up F.B.A. financial benefits, and whose income is within prescribed limits. W.I.N. provides a cash grant of up to $250 per month for two years. Participants can also continue non-cash benefits from F.B.A., such as dental, optical and O.H.I.P. coverage, drugs, etc. A lump sum payment of $250 is also made at the time the individual leaves F.B.A.

Ontario is conducting some experiments with up-graded employment rehabilitation services for certain types of cases, particularly single parents as has been mentioned earlier. Some of these activities will be associated with provincial F.B.A. offices, while in others the responsibility for the cases will be passed down to municipal (G.W.A.) offices.

D. Quebec Initiatives

Quebec is doing much to provide incentives to the private sector and to municipalities to create employment. It is also experimenting with incentives to link the unemployed with available jobs before individuals need social assistance. One of Quebec's main employment strategies is to focus on the exceptionally high unemployment rates among young people.

Quebec's concern about linking new professional graduates with the work place has caused their Department of Labour and Income Security to offer an incentive program to the private sector for the purpose of assisting these young graduates to acquire job experience which will facilitate their entry into permanent employment. Quebec offers a "bond" which has a value of $3,000. The bond is available to persons who are under 25 years of age, are registered with the Quebec Employment Centre, and have successfully completed, within the last 6 months, a course of studies in a secondary school, college or university, and where they are looking for their first job in their field of study. Eligible employers or organizations, businesses or corporations who have been operating in the province for at least 6 months. The positions which fall within the eligibility criteria for subsidy must be at least 20 weeks in length, have a regular work week of at least 30 hours, and contribute to the professional development of the young employee. The position offered by the employer must be vacant or a new position and must not already be subsidized by any other governmental program.

An employer who is interested in hiring one of these young graduates signs a contract with the employment centre covering the employee he wishes to hire. The government subsidy covers 75 percent of the salary of the person holding the "bond" up to a $150 per week for a total of $3,000 for 20 weeks of work. An additional amount of $500 is available to an employer who maintains the person in his employment for at least an additional 8 weeks.

Quebec officials report that this program has worked exceptionally well.

E. Saskatchewan's Experience

A variety of programs and options have been pursued over the past ten years to assist S.A.P. clients to enter or re-enter the work force.

The Employment Support Program (E.S.P.) has provided project grants since 1973 specifically targetted to employing persons receiving or eligible to receive social assistance. Grants, covering wages and minor overhead costs, have been generally of a short-term nature and aimed at marginal employment areas which do not displace other workers. Sponsors have been primarily local government and non-profit organizations and a few private sector sponsors.

In many cases, repeat seasonal grants, particularly in community improvement activities, have combined with unemployment insurance benefits to provide year-round independence from S.A.P. Funds have also been provided to subsidize a few industries which are not completely self sufficient to maintain year round operations and employ S.A.P. clients. Until the past three years when the economy turned down, follow-up reports on these projects consistently indicated that 80 percent of the S.A.P. clients employed did not return to the welfare program. (While the results of the follow-up reports look very favourable, the Reviewer is skeptical of the methodology of these follow-up reports. An independent review of this program might show quite different results).

After projects were originally intiated on a short-term basis by E.S.P., some long-term Saskatchewan jobs have been created where the goods produced displaced imported goods, and where services produced were deemed essential by a community or by government and were then continued under different auspices; examples are some home care services, day care, home insulation and retor-fitting, vegetable production, etc.

About 15 percent of E.S.P. project costs are returned to the province through cost-sharing.

Briefs to the S.A.P. Review, mainly from municipalities, were exceptionally supportive of E.S.P. projects and their local community value. E.S.P. projects should be seen as an important productive opportunity for both clients and their local communities.

Nine Work Preparation agencies (staffed by departmental employees in two centres and funded through E.S.P. as non-profit societies in seven others) have provided counselling, referral and placement assistance to clients referred from the Saskatchewan Assistance Plan. The agencies have tended to deal with specific disadvantaged clientele, including single parents, youth, natives and handicapped persons. Clients are assisted in acquiring basic job readiness skills and then are placed into existing private sector jobs on a training or full-time employment basis.

Less than one-half of these jobs require subsidy. Where they are needed, subsidies derive from E.S.P. or C.E.I.C. sources. Usually any salary subsidy is only part of the full salary and decreases over time.

Start-up expenses such as small tools, safety equipment and clothing may be paid by S.A.P. Long-term training costs may be borne by C.E.I.C. or Department of Advanced Education and Manpower through the community college system. In some other instances agencies have directly developed and sponsored specific courses or work projects tailored to fit special training requirements and work experience for clients.

The Employment Opportunities Program (E.O.P.) has provided support to disadvantaged individuals starting business activities and also to existing employers to assist in renovations or equipment purchases to provide employment access for handicapped persons. Similarly, the Vocational Rehabilitation of Disabled Persons provides assistance to mentally and physically handicapped persons, primarily oriented to assessment and training but in some cases to assist in purchase of equipment or minor renovations to improve the work station for existing jobs.

Beginning December, 1982, the federal and provincial government jointly funded over 2,300 positions to 420 sponsoring employers under the Canada/Saskatchewan Job Creation Program. Funds were specifically targetted to employ persons receiving or eligible to receive social assistance or persons who had exhausted all entitlement to unemployment benefits. The Canada Employment Centres have provided registries for referral of clients to project sponsors and preliminary information indicates that in excess of 50 percent of the clients employed have come from the S.A.P. caseload. Because only minimal matching of client skills to jobs occurred and there was virtually no follow-up with sponsors, this has contributed to a high employee turnover. Unfortunately, some negative views of welfare clients have been reinforced as a result.

The Small Business Assistance Program, announced this year by the Saskatchewan government is targetted to create an additional 4,000 private sector jobs. While these jobs are not targetted to S.A.P. clients, they may benefit equally with other unemployed individuals.

F. The Portable Salary

A suggestion to provide an incentive for potential employers to hire the fully employable and job ready client is the notion of a "portable salary".

A portable salary would take the monitary value of all the benefits received by a welfare client and convert it into a paper salary - to be visualized much like a promissory note. The client could then take this promissory note to any private industry, non-governmental agency, or public agency (municipal or provincial) and bargain with the potential employer for the creation of a job equivalent in salary to at least the amount of the portable salary per month. If a new job were created, the wage rate paid the client would equate to the going market rate for that position. The number of hours worked by the client per month would then be calculated by dividing the wage rate into the amount of the portable salary. (Of course the number of hours worked per week or month could not exceed the labour standards of the province). Employers would pay a wage directly to the client and then redeem the "portable salary" from the provincial government.

Employers would be encouraged to top-up the portable salary so that clients work a normal work week. Employers would also need to assure the administering agency that the jobs created were indeed new jobs and were not displacing existing employed workers.

There seems no doubt that such an incentive scheme could create a large number of jobs in a relatively short time span in Saskatchewan. Potentially any employer-voluntary, non-governmental, private and public sectors could benefit. For the client, he is removed from the welfare system, he gets meaningful job experience with the possibility of moving into permanent employment, new skills are acquired or maintained, transition from school or home to work is facilitated. For government, the cost is not greater (excluding the dilemma of cost-sharing) than is currently paid through the welfare system, the main responsibility for finding employment and making appropriate arrangements rests between the employer and the client, not the government.

There are a number of difficulties which would have to be overcome if this scheme were used. The most obvious problem is for how long should the portable salary be maintained by the government? There are a number of approaches to this problem. One way is to arbitrarily set a limit on the portable salary of, say, 6 months, or 20 weeks in order to qualify for unemployment insurance; or an estimate could be made of the average length of time that an unemployed employable client remains on the welfare system and the portable salary could be tied to this duration. At the end of the period where the portable salary applies, some employers would have found a permanent place for the client; other clients would have found permanent employment at a better salary and would have moved on; and yet others will not be employed and will return to the welfare program.

A second difficulty with this proposal is that the costs of the portable salary could not presently be shared under the Canada Assistance Plan. Whether it could be cost-shared under some new or different federal program is not yet clear; but what is certain is that every province and territory in Canada wants the federal government to cost-share salaries for the unemployed at least to the extent that the cost-sharing would have been provided as a straight welfare payment. If the government wants to pursue this suggestion, further discussions will need to take place with the federal government in an attempt to find a cost-sharing solution which very likely will involve an amendment to the Canada Assistance Plan Act, perhaps a federal/provincial agreement under C.E.I.C. legislation, or new legislation.

A third obvious concern about a portable salary program has to deal with the possibility of displacing workers in existing unionized jobs. The portable salary program has been working in Maryland, U.S.A. since 1972, and it is reported to have worked well since 1978. It is directed at a 100 percent of those welfare cases who are classified "employable" and also are adult males without families. Maryland is now making plans to bring in to the program single parents.

One of the early difficulties in the Maryland experiment was the concern of unions about displacement of workers and the reduction in unionized membership. This worry has apparently been overcome when unions organized the workers in the "portable salary" jobs and expanded union membership. Apparently displacement of workers has not been a major problem in part because of the relatively small number of people eligible for this program (approximately 500 - 600 people).

The Maryland program is known as the "WAGE" program, that is "Work Assistance Grant to Employables".

The portable salary scheme was first developed in San Diego County, California, in the early 1970's. Subsequently it is being considered now by the

New Zealand National Welfare Program as a possible solution to their forecasted long-term unemployment problem for employable people. New Zealand, like the other jurisdictions, is most concerned about the reaction of unions to the scheme.

Clearly if this scheme is to work at all it must be worked out in close co-operation with unions and with clear guidelines and commitments from employers to create entirely new jobs and not displace existing ones.

In Saskatchewan the portable salary suggestion is one idea which may find considerable public support as well as provide a clear benefit to employable welfare clients. The scheme is not "workfare" and it does offer the potential for longer term employment. If the scheme were also coupled to unemployment insurance payments, in the very worse scenario the workers would qualify for unemployment insurance at the completion of a portable salary job.

Obviously there will be initial difficulties implementing this program and it is suggested that the government consider a demonstration project for Canada, selecting only a limited number of employable welfare clients for the program. If the project were designed as a experimental or demonstration project, the federal government might have more interest in cost-sharing the project as they would not be creating a national precedent, or an open-ended cost-sharing program (should unemployment levels unexpectedly fall).

Conclusion

Long-term employment for employable people is now a Canadian fact with more of these unemployed individuals turning to social assistance for financial help. Some new and innovative approaches need to be tried in Saskatchewan to make productive work opportunities for this group of clients. Some successful experiments have been tried elsewhere in Canada can be adapted to the Saskatchewan scene. Initially these ventures should concentrate on re-training, job readiness and job search. New employment opportunities need to be created, preferably in co-operation with the federal government. Suggested alternatives for exploration include a new "bridging" program between unemployment insurance and welfare, a portable salary for unemployed employable welfare clients, and incentive schemes to the private and non-governmental sector to create new jobs.

THE CREATION OF PRODUCTIVE OPPORTUNITIES

If the Saskatchewan welfare system is to be a positive and a helpful experience for clients, new opportunities need to be found or developed to improve the probability that clients will acquire the capacity to be more independent as a result of having had contact with the Assistance Plan. Moreover a 1982 study by the Organization for Economic Co-operation and Development (O.E.C.D.) entitled "The Challenge of Unemployment", concluded that society's efficiency in the longer term "will be greater if there is a greater concentration in the present on the problems of the groups suffering labour market disadvantage". People on social assistance are the extreme cases of labour market disadvantage.

Whether or not many job opportunities are currently available, and regardless of the forecast of a high rate of unemployment for some time to come, if welfare clients are not assisted to become job ready in order to compete for whatever productive opportunities do materialize, they and their families will be condemned to poverty and non-productivity in this generation. Most would concede that this is an unjust exclusion in a democratic and civilized society. After meeting the essential requirements for human survival, surely the minimum expectation of a welfare system in a democratic society should be to help clients acquire the capability to improve their condition by their own effort. Saskatchewan's welfare system doesn't even achieve this minimum goal because of its lack of non-financial services.

For the Saskatchewan Assistance Plan to become a productive experience for its clients, it must first help clients to become job ready - that is prepared psychologically (motivation and self-confidence), socially (family and personal circumstances), and educationally (in terms of marketable skills). Secondly, jobs in the traditional market or other productive ventures need to be available to job ready clients. Thirdly, a "matching" service to link the job ready clients to the jobs must exist in the province. And fourthly clients must perceive that they are better off being socially productive, than not. Incentives may need to be offered to improve this perception, or alternatively disincentives can be removed.

Throughout this report, many suggestions have already been made to offer new opportunities within the welfare system, both generally for clients and for specific target groups. This chapter will provide additional broad scope suggestions.

1. Education and Training

The common barrier to stable employment pervading all client groups is a lack of education and skills. All forms of training are needed in some degree - adult basic education, language training, basic life skills education, vocational training, re-training of workers with redundant skills, and a certain amount of professional training. The challenge is substantial when one considers that at least two-thirds of the caseload (20,000 people) could benefit from some education or training program, and that in many instances more than short training courses are required.

Training now, as a first critical opportunity for assistance clients is an important strategy for two reasons: first without this education the clients can be expected to remain on the assistance program for a long time and in years to come will return to the welfare roles repeatedly as the labour market expands, contracts and changes in structure. Secondly, when the economy is in a down turn and jobs are not available, what better time is there to prepare workers for the future opportunities of an expanded and more active economy.

Presently there is a very poor assessment of the precise education and training deficiencies of clients and there is a very limited capacity within Saskatchewan to undertake refined educational assessment of adults. The main sources for adult vocational assessment are the offices of the Canada Employment Centres. Aside from the rather perfunctory nature of this educational assessment, C.E.C. offices in recent months have had to direct most of their time into the processing of benefits for unemployment insurance clients. It would appear that educational assessment is now a lesser urgency. If the province is to gear up for a large scale education and retraining venture, steps will have to be taken to convince C.E.C. offices to assume their full responsibility for educational assessment; or, the province will have to acquire the capacity to undertake some of this function itself.

Compared to other western provinces, Saskatchewan has a relatively limited range of technical and vocational educational programs. In a province as small as Saskatchewan, recognition needs to be given to the training requirements of relatively small industries and the service sector (including the volunteer service sector). If experience in other O.E.C.D. countries can be applied in Saskatchewan, the small industries and the service sector may have a significant capacity to increase employment if they can find trained manpower and if occasionally they are offered incentives by government mainly to reduce the interest rate risk of borrowing to expand, and the cost of training and orienting new staff.

Expansion of the technical education capacity of the province has been initiated recently by the provincial Department of Advanced Education and Manpower with the objective of increasing training capacity by 70 percent over three years. Further consideration to the size of this expansion may need to occur after the assessment of the training needs of social assistance clients is completed.

It has been noted that community colleges, because of their geographical location, accessibility and flexibility, have the potential to address many of the education and training needs of S.A.P. clients. Perhaps some further training and curriculum linkages between the community colleges and the technical schools might enable the community colleges to be even more effective in this potentially large educational challenge.

The Departments of Advanced Education and Manpower and Social Services have recognized the need for co-operation to provide educational opportunities for welfare clients and very recently have designed a first large scale training effort which will provide training places for 500 clients in the fall of 1983. The results of this project will be helpful for future planning on a larger scale.

When planning for the training of S.A.P. clients, initially some targetting may have to be adopted to balance the objectives of efficiency and social equity within the educational system. Insofar as S.A.P. clients are concerned, it would appear that priority should be given to:

a) young person drop-outs from school;

b) single parents under 30 years of age;

c) re-training of older recently unemployed workers whose jobs have been abolished through structural changes in the work place;

d) natives.

Training allowances offered by the Canada Employment and Immigration Commission (C.E.I.C.) are currently inadequate to support a family while the head of household is in school. If federal training allowances can't be improved, S.A.P. will need to top-up living allowances for such families.

Under S.A.P. policies, training allowances are considered earned income. As an incentive for clients to accept training opportunities and stick with the program, consideration could be given to treating training allowances as earned income to which the earned income exemption could then apply. If recommendations made elsewhere in this report to eliminate some of the current property exemptions are accepted, exempting training allowances as earned income should not be a net new cost to the S.A.P. program.

Adequate provision also needs to be made for the cost to the client of participating in educational programs such as the cost of child care, travel, clothing, and educational supplies. Where these costs are not met by C.E.I.C., they should be fully met by the S.A.P. program through the re-structured "special needs" benefit schedule.

When planning for this educational venture, recognition should be given to the special needs of native people, and also to the reality that many adult single parents will only be able to be successful if attending school on a part-time basis so that they can balance the educational program with their family responsibilities. Initial wage subsidies as incentives to potential employers and to facilitate transition from school and home to work, are important elements of a total package.

Other training concepts which need to be explored more fully are the greater use of apprenticeship training, work/training rotations with industry and competency based education.

2. The Availability of Jobs

A statement by the Canadian Council on Social Development in the Spring of 1983 says

> "a new phenomenon is the fact that the majority of individuals and families applying for general welfare assistance are doing so because of unemployment, and because of the welfare means test requirements, are being forced to liquidate virtually all savings or disposable assets, except their house and car, in order to be eligible for payments. And in many provinces, these payments do not cover outstanding bills and debt obligations, or the cost of searching for employment".

The C.C.S.D. would like to point out

> "that the backlog of unemployment currently

> approaching 2 million people, combined with increasing welfare caseloads and the delayed labour force growth caused by the young people remaining in school, means that unemployment and under-employment will continue to be a major problem through the decade. And in the context of fierce competition for very few jobs, traditionally disadvantaged groups such as women, disabled persons and native people will have even less opportunity then before".

Therefore, even if clients are better prepared educationally, this will not increase the number of jobs available in society but will merely make it possible for existing clients to compete for available jobs without disadvantage. If new or different job opportunities are not created, one could foresee a revolving door phenomenon develop where the S.A.P. supported and educated individual re-enters the work place displacing another worker who eventually falls onto the S.A.P. caseload.

In the Canadian context a stark choice exists. Society is going to pay for the unemployed one way or another. It can either minimize its short-term costs to governments, pay the unemployed through unemployment insurance benefits and welfare, and lose nearly all the productive contribution to society from the unemployed, or society can pay a bit more in short-term, creating new work opportunities for the unemployed, and gain for society some productive contribution from the unemployed members in society but in ways that have been traditionally under-valued and often unmeasured.

Quantitatively, the greatest job creators are stimulative fiscal and monetary policies of governments. At the moment these tools are heavily constrained in Canada by other national objectives. They can't, in any case be fully utilized by provincial governments. The province can, however, review its policies on several fronts and consider adjustments to balance its initiatives to maximize the number of existing jobs, and the incentives to create new long and short-term work, both generally and for targetted disadvantaged workers. There are seven types of policies or strategies to consider:

i) What will be accepted as socially and economically valued work can be re-defined;

ii) Work opportunities can be redistributed so that most people have an opportunity to contribute to some degree to society even though there may be insufficient opportunities for everyone to contribute on a full time basis;

iii) The "helping" sector could be expanded through public and private expenditures, so that new and additional opportunities can be found for people to provide services to other people who need help, in such a way that both "helpers" and the "helped" become less directly dependent on the state. This could involve expansion of the non-governmental social service agencies, support to the volunteer sector to expand, the targetting by government of short and long-term of public sector job creation ventures;

iv) Incentives to the private sector for joint ventures with government and communities for community development projects could be considered;

v) The productive value of the informal economy could be recognized and encouraged (although this is now a non-taxed economy);

vi) Entry work experience for young people and single parents in transition from home to work could be facilitated;

vii) Some of the public resources now invested in social assistance and unemployment insurance schemes could be re-conceptualized and re-directed towards meaningful work opportunities.

It is apparent that no one job creation strategy will assure in the 1980's that those unemployed and on social assistance will be afforded an opportunity to contribute to society. Rather, a balanced variety of initiatives need to be tried simultaneously. Saskatchewan needs to embark on a period of experimentation with new initiatives for the unemployed on welfare.

3. Re-distribution of Work

In order to re-distribute work opportunities so that more will be able to participate, governments will need to reconsider measures that decrease the average hours worked per week or year, such as longer holidays, more extensive use of sabbatical leave for professional people, restrictions on over-time work and on multiple job holding, a reduced standard of weekly hours worked, more part-time and short-time work, particularly for women, so that those women who wish to stay at home and raise their own children may do so while keeping up their skills and trades as well as earning necessary additional income. Furthermore with the technological improvements in office communication systems, this may facilitate alternate work place arrangements particularly where the home may be used also as a work place.

Other measures include job sharing, flexible work hours, perhaps re-defining the "day" for service so that multiple shifts may be able to use the same capital facilities both in the private and public sector.

Another major direction is to reconsider policies that result in longer periods out of the labour force, such as earlier retirement, longer schooling, more regular periods of re-training or skill up-grading.

For the minorities who remain on the fringe of the traditional work place such as the handicapped, people of native ancestory, single mothers, and perhaps young people who have not yet acquired any work experience, special measures need to be considered to improve their access to work opportunities. For example the concept of the "sheltered work place" or the "protected market" or the "reserved" spaces in industry for sheltering disadvantaged groups are worth considering.

Saskatchewan currently has a fairly extensive sheltered workshop system for the disabled. The sheltered workshops are now seen mainly as educational programs rather than industrial arrangements. Payments to these sheltered workshops, and their payment of their handicapped workers, reflect this non-industrial orientation; that is stipends not wages are paid, and stipends have no relationship to productivity.

There are many goods and services which sheltered workshops can produce for Saskatchewan, and also for export, if assistance were given to these small businesses to enable them to organize along professional business lines, and to find an improved system of marketing their products and identifying new product opportunities. With Saskatchewan having a large public sector service industry, and with the extensive product needs of hospitals, nursing homes, and government departments themselves, some exploration could be undertaken to identify a range of products needed by these sectors where the products could be reserved for production from sheltered workshops. A preferential contract could be developed for supplying these products and the sheltered workshops would then have a "protected market". The search for the products within the protected market ought to concentrate on those goods which would displace goods now imported to the province.

While prices within the protected market would have to be relatively competitive with external markets, they need not necessarily be exactly equal or lower. There are cost trade-offs to be gained for the province by having disadvantaged workers removed from S.A.P. and paying taxes in their new jobs. Furthermore these workers will provide some economic stimulus to the economy by having more disposable income.

This general notion of the sheltered workshop producing goods for a "protected market" need not be confined simply to the disabled. The concept can be generalized to other groups of individuals who are disadvantaged in the labour market. The idea of one disadvantaged economic group producing goods or services which are consumed by other disadvantaged groups in Saskatchewan or by the "care sector", makes sense in an economy like Saskatchewan's because it is re-channelling dollars which currently exist in the economic system, a portion of which regularly flow out of the province for the purchase of goods. This is a self-help model on a provincial scale as opposed to an individual self-help model.

Although of a longer term nature to implement, the idea of "reserved" spaces in industry and government could be considered for some disadvantaged workers. At present, job descriptions all too frequently make generalized assumptions about what an employee needs to know in order to function effectively. If job descriptions and requirements were carefully reviewed against the realities of the work place, more jobs would be identified as being suitable for disadvantaged people. When hiring to fill these positions in the future, employers could then give preference to disabled and disadvantaged people for these positions.

In Saskatchewan at least Saskatchewan Power has mounted an affirmative action program for the disadvantaged and it has been successful over several years.

If any industries were to adopt this idea, there would need to be a system to identify the "unemployed but employable" handicapped individual. A system to assess his capability for handling the proposed job would then be coupled with a matching service for the employers. Such a system currently does not exist in any large measure in Saskatchewan. Very likely the current sheltered workshop arrangement in the province coupled with their vocational assessment system, could be tailored to handle this function adequately if it were expanded.

For young people and for single parent mothers who are trying to make the transition from school to work, or from home to work, a variety of incentives to the private sector should be considered to make it attractive to employ these potential workers in order to give them some job experience and to facilitate their transition into the work place. Suggestions for these have been offered elsewhere in this report.

4. Re-definition of Work

Little recognition is given in the present economy or welfare system to the value of personal activities which produce goods or services for personal, family, or community use. In fact the assistance plan tends either to penalize these activities or not recognize them.

Little encouragement is given to S.A.P. clients to produce their own food, clothing and shelter. For the most part the tools and capital to initiate the production of any of these goods is not recognized or available through S.A.P. or other government programs. The production of any of these goods for sale to other S.A.P. clients or society generally is presumed to yield an income which is taxed back by S.A.P.

It is difficult for S.A.P. clients to engage in volunteer activities because there are usually some costs associated in participating in volunteer work (e.g. travel, clothing, some times a few supplies, and frequently child care arrangements), and neither the volunteer service or the associated costs are recognized by the assistance plan.

Furthermore the confidentiality clause in the S.A.P. Act makes it difficult for clients to be linked with non-governmental agencies which might make use of the volunteering client and offset his costs. Non-governmental groups therefore cannot approach the S.A.P. client to offer a volunteer oppor unity; it must be the other way around.

During the course of this review, reports were heard of clients who were quite willing to volunteer their time for community service, and other clients who wished to do so as a way of avoiding "vegetation".

Many in Canada are frightened to speak to volunteerism in relationship to welfare clients because the concept can be too easily misinterpreted as advocating "workfare" (the American jargon) or "work for welfare" notions which date back to the Elizabethian poor laws. (A detailed background paper on "Workfare" is found in Appendix "G").

Two experiments in Alberta known as the Taber Experiment and the Lethbridge Experiment were initiated in 1982 and required welfare recipients to work as a condition of receiving their assistance. While these experiments have now been terminated and no offical evaluation has been released, informal reports indicate that the recipients did not object to the compulsory work clause, but the work assignments for the most part were not particularly meaningful or of much lasting value to the community. Presently cost-sharing with the federal government is not possible if welfare clients are mandatorily required to work as a condition of receiving assistance (although voluntary work is not discouraged).

The experience in the United States has suggested that voluntary work can be a vehicle for the development of life skills and increased self esteem for the unemployed. As well, the desire of the great majority of people to work and not "vegetate" when regular jobs are not available is an additional incentive to become involved in volunteer activities when regular employment is not available.

A background paper was completed for this review on the subject of "Welfare Recipients as Volunteers" (attached as Appendix "H"). The study found that volunteer involvement has several positive effects not only on the community and beneficiaries, but on the volunteers themselves.

> "Volunteering can serve to enhance the self-image of the one who volunteers. Social scientists have found that low self-esteem is at the root of many social and educational problems as well as individual antisocial and self-destructive behaviour at all socio-economic levels. Thus, volunteering can be an essential human development experience when it meets this universal need for self-esteem". (H.H. Maylor, "Volunteers, Resources for Human Services, U.S. Department of Health Education and Welfare, 1980).

Voluntarism, involving people co-operating to attain community objectives, generally engages the volunteer in a constructive and creative use of leisure time and hence is a valuable learning and growth experience. Volunteers derive deep satisfaction in helping to solve human and social problems while helping to improve the quality of life. Other benefits to the volunteer include the development of a sense of purpose and responsibility, a broader outlook, attainment of spiritual goals, enjoyment, appreciation from others, and feeling needed.

The poor and unemployed stand to gain even more from volunteering. By participating, they are frequently socialized out of the "cycle of poverty" and acquire middle-class skills. In a study testing the impact on the poor of participation on a voluntary poverty board, it was found that the volunteers "over a period of seven months increased in activism and achievement orientation, and decreased in anomie, integration with relatives, isolation, normlessness, alienation, and particularism". Other research reports that low income volunteers show decreases in feelings of powerlessness.

Volunteering also has potential negative aspects, however. Some voluntary work entails menial and meaningless chores with little chance of helping the individual to realize his/her goals for volunteering. In this case, volunteer work may reinforce the frustration and low self-esteem felt by many of the poor and unemployed. Additional problems with volunteering are: inadequate training, co-ordination, and recognition, too much control by professionals and, conflicts with unions and insurance companies (should an accident occur while volunteering).

The conclusion of this S.A.P. Review is that welfare clients ought to be permitted the opportunity to volunteer for community service at no penalty to themselves, and community groups ought to be encouraged to accept this volunteer capacity - so long as the program is not mandatory as the condition of receiving social assistance. Consequently, a detailed proposal for a volunteer program for social assistance clients follows.

A Proposal For S.A.P. Client Volunteers

Establish a program to link employable welfare recipients with community volunteer organizations so that recipients may volunteer their time if they so wish. Welfare eligibility is in no way affected if Saskatchewan Assistance Plan recipients do not wish to participate in volunteer activities. An allowance should be provided for out-of-pocket expenses such as transportation and babysitting. Case workers would ask if the recipient is interested and help initiate contact with the volunteer bureau. Employable recipients would still be required to look for employment.

Implications

a) Financial

An Alberta study conducted in 1974 found that 41 percent of volunteers spend under $5 per month on volunteering and two-thirds spend under $10 a month. Considering inflation and assuming 15 hours of volunteer time per month the cost would likely be $15 per month for single recipients and $25 per month for single mothers plus an allowance or arrangement for pre-school child care.

Assuming 20 percent of fully employables and 10 percent of single parents participate the cost would be 800 employables x $15 = $12,000/month and 500 single parents x $25 = $10,000/month for a total of $22,000 per month. With cost-sharing, $11,000 per month.

b) Advantages

- Allows recipients to escape boredome, socialize, enhance self-esteem, learn, develop, and decrease feelings of alienation, powerlessness, hopelessness, loneliness, and uselessness;

- Helps needy individuals and groups in the community with a consequent reduction of pressure on the government;
- Offers recipients opportunity for developing work socialization skills and better work habits;
- Recipients may make contacts and gain experience which may be useful when searching for employment;
- Incremental costs negligible despite offering many of the benefits of job creation and workfare schemes with few of the pitfalls;
- Utilizes existing volunteer and social agencies which minimizes costs and reduces chances of being identified as welfare recipients;
- Should be no problem with C.A.P. program, since proposed project is completely voluntary;
- It is thought that volunteer agencies are not disinterested in recruiting social assistance recipients.

c) Disadvantages

- Recipients may feel compelled to participate even if the voluntary nature is stressed;
- Comparisons may be made to workfare;
- Recipients may think that volunteer work absolves them of responsibility to look for work;

- Less time to seek employment;
- Case workers presently have little extra time to devote to this initiative;
- A bad experience volunteering may further frustrate recipients;
- Volunteers need adequate orientation and training, hence a financial commitment from the government may be required by some voluntary agencies.

As a footnote to this proposal, a suggestion was made to the Review that employment references could be given to those who volunteer their services. In addition, some form of recognition by the Department of Social Services and by the volunteer agency could also be offered, perhaps in the form of certificates or some like token. Public profile to this volunteer effort would also be helpful. While the idea may seem like "tokenism", some form of recognition of the client for volunteering his time is desirable not only for the client's self esteem, but also as a positive reference in the client's search for employment.

5. Expansion of the "Helping" or "Care" Sector

Western Europe has widely adopted the idea of expansion of the "care sector" to re-direct unemployed labour into activities which will supply "helping services" to the disadvantaged or to the needy. In Canada, we have a remarkably limited array of helping services. Nevertheless, the demographic trends in Saskatchewan and Canada illustrate that our population is aging at a time when the young population expected to support the aging population is shrinking in proportion. It is known that the aged need a vastly greater amount of helping services than do younger people. One can readily forecast that it will be difficult to sustain the services needed by the aged by relying solely on the professionalized service sector.

Moreover, if unemployment remains high for the remainder of this decade and minority groups have increasing difficulty obtaining employment, the need for more helping services can only increase dramatically. With the expectation that society cannot afford to pay for all of these helping services in the present modes of delivery and will find it difficult in this decade to expand the helping services along tranditional service delivery lines, it seems a logical employment strategy for the province to educate and deploy some of its unused labour capacity into this service sector. This would have particular benefit for the welfare system insofar as it could create a major new productive opportunity for clients; it would encourage self-help and group help amongst the disadvantaged; it might reduce the cost of welfare; and the job opportunities potentially can be tailored to match better with the capacities and circumstances of welfare clients.

This initiative is likely to be most successful if it is mounted through the voluntary or non-governmental sector. The Canadian Council on Social Development in a policy statement in the Spring of 1983 has pointed out that "the sector which has perhaps the richest potential for assisted growth, and which could provide jobs and training opportunities for thousands of Canadians, is the voluntary sector. A recent Statistics Canada study shows that, just among the 40 thousand registered charitable organizations, excluding hospitals and universities, over 175 thousand people are employed. The voluntary sector contributed over $5 billion per year to the G.N.P., and is an important part of the economy. And these organizations also make important contributions to our social well-being and quality of life, providing needed personal services". The policy statement continued "these organizations tend to be most able to respond to the more disadvantaged groups in the labour market. ...and the impact would be made greater by the fact that voluntary organizations are often able to generage volunteer activities on a one-to-one basis".

It should be noted also that in Saskatchewan if new non-governmental social service agencies are stimulated or if old ones are expanded, the majority of costs of these agencies are cost-shareable under the Canada

Assistance Plan if the agencies are designated by the province as being a "social service agency". These N.G.O.'s could in fact hire and train welfare clients to deliver services, and pay them a wage (where S.A.P. could not). This wage and most administrative overhead costs of the N.G.O. are then cost-shareable. Furthermore, one could hope to see more involvement and leadership by the community if the government were to make the voluntary sector an integral partner in a provision of social services and were to provide greater and more sustained financial support - presumably through long-term contracts. And finally, the public and the private business sector would find it easier to identify with a non-governmental voluntary social service group than with a governmental program. More private financial and other support might be forthcoming from the private sector as a result.

There is a large list of ways that the non-governmental community or the volunteer sector can expand its helping role and provide work and other productive opportunities for welfare clients. A few of these ways are listed to illustrate the possibilities.

a) New businesses could be created to produce or obtain cheaply or re-cycle goods which need to be consumed by welfare clients such as food, clothing, housing, some pieces of furniture and appliances, etc.

In respect of food, consideration can be given to the bulk buying and storage of food products which can be grown in Saskatchewan during the summer (such as root vegatables) and further experimentation can be undertaken with the production of perishable products under glass during the winter time.

Respecting clothing, the Salvation Army and the I.O.D.E. have re-cycled clothing for many years. This system could be expanded.

With respect to furniture, an idea has been put to the S.A.P. Review that one or more N.G.O.'s could be established to make some routine household furniture, and to acquire and re-furbish used furniture. This furniture could either be loaned, sold or rented to welfare clients. The N.G.O. would employ welfare clients in the enterprise. If a furniture co-op or N.G.O. were established, rather than pay cas to the welfare client to acquire large furniture items, the client could be referred to the N.G.O. which would make an appraisal of the client's furniture and household needs and work with the client to supply the goods.

Such an N.G.O. could possibly also bulk buy some appliances which are routinely needed by all households. Cost savings to the client and the program could occur through this route. Alternately, the N.G.O. could make arrangements with private firms for standing offer contracts at the lowest price to obtain the same types of appliances - in the same manner that the Saskatchewan Prescription Drug Plan arranges standing offer contracts for commonly used prescription drugs.

With respect to housing, in co-operation with the Saskatchewan Housing Corporation and local housing authorities, N.G.O.'s could be used in some instances to build houses, in others to repair houses, and in other cases to provide minor maintenance for those who cannot handle household maintenance themselves.

For periodically used equipment such as lawn mowers, roto tillers, etc., a low cost rental service could be incorporated so that welfare clients would be assisted to maintain their property.

b) N.G.O.'s can be used to provide a number of the counselling services for clients which the Department cannot now provide - essentially to provide adult social services. (The adult social services which currently exist in the province for the most part are provided by the non-governmental community, but a large expansion of these services is needed to deal with the social problems which currently exist and those which can be expected as a result of high unemployment for a prolonged period of time). Client training for these functions is obviously required.

c) N.G.O.'s are the best vehicle under which to expand sheltered employment.

d) Church-based groups (e.g. like the P.L.U.R.A. organization) are developing initiatives to establish some small industries for employing the disadvantaged. They propose to establish a "Development Services Corporation" aimed at economic development and employment of low income and disadvantaged people. The corporation plans to provide many services but a key one is to help raise capital amongst the poor to invest in new economic ventures.

e) Work preparation centres either attached to the departmental operation or through N.G.O.'s like the Community Service Centre in Prince Albert, can offer rehabilitative programs, life skills programs, employment projects (like Pine Industries), and can help clients obtain the variety of referral and support services they need.

f) N.G.O.'s could be established to arrange for transportation of clients and the aged, particularly outside the larger cities.

There is a critical need to provide

opportunities for children in welfare families. Not only are recreational opportunities needed but also recreational equipment and the payment of fees, etc., is needed by these children and families. The involvement of service agencies conceivably could provide excellent recreational and sports opportunities for disadvantaged children.

h) Peer groups amongst welfare clients are badly needed, particularly for single parents. Some organizational effort is needed to develop a network of peer groups. N.G.O.'s conceivably could take on this role.

i) Of course N.G.O.'s like home care boards and homemaker services, hospitals, nursing homes and other large social institutions, if connected with welfare clients, and if given encouragement, could employ or otherwise make productive use of many workers and volunteers. These agencies have to be given the encouragement and financial backing to make specific arrangements. Costs would be off-set if the "portable salary" concept were accepted.

J) Indian and Metis groups want to do more for themselves and indeed want to provide many of their own social services. A significant number of social assistance clients are of native ancestory. By

> training natives to provide social services, they could do more for their own organizations and for themselves, (although experience in other provinces illustrates that very often Native people hire non-natives to provide interventionist, child protection or enforcement services in Native communities).

In summary, one good field to search for productive opportunities for social assistance clients is likely in the expansion of the service sector in the province, particularly using non-governmental social service agencies and volunteer groups to create the ideas and opportunities.

It should be remembered that when the opportunities are identified, some training of clients may need to be undertaken on behalf of the volunteer or N.G.O. sector. And finally, government may need to provide some financial stability for new organizations (although there will be cost trade-offs by being able to cost-share a significant part of the costs; and where these organizations employ welfare clients the assistance plan bill will decrease proportionately).

6. Job Preparation and Searching

Another opportunity which needs to be given clients is thorough preparation for job searching and interviewing. After a client is educationally prepared for work, he needs specific skills in completing resumes, searching for employment, knowing how to present himself to an employer, knowing what to expect in the search process, and then how to work co-operatively in a work unit. Supervised phone banks for job searching have also been suggested as a useful tool.

Support and expansion of the province's work preparation centres offer the basic structure to achieve these functions.

Elsewhere in Canada and the U.S. where intensive job preparation and job search training is offered, it is seen as an essential ingredient in the employment strategy for welfare and other unemployed clients. These services should be available in main communities throughout Saslatchewan.

7. Short-Term Job Creation

If permanent long-term jobs are not to be available for some time, and if an attempt is to be made to divert as many employable people from the welfare program as possible, then short-term job creation is necessary and desirable so long as the duration of the jobs is sufficiently long to qualify the client for unemployment insurance benefits. Therefore the "JOBS" Program of the Saskatchewan government and its companion "NEED" Program of the federal government are valuable.

A program which is particularly sensitive to the short-term employment needs of welfare recipients is the Employment Support Program of the Department of Social Services. In effect this is a short-term job creation program which conforms to the criteria of "Work Activity Projects" under the Canada Assistance Plan, is cost-shareable to a degree under that scheme and is largely a transitional program for employable welfare clients who are looking for permanent employment. Historically it has had a high success rate in permanent placement of clients (80 percent).

While short-term employment is not an ultimate answer for social assistance clients, the work experience can permit the client to maintain some of his work skills, and in some instances acquire new skills, as well as diverting the client away from the welfare system. The possibilities of short-term employment should not be overlooked.

8. Grants and Subsidies to the Private Sector to Create New Jobs

Experience obtained by the Social Services Department in mounting the current Job Creation Program has led to the conclusion that there is a significant capacity and willingness by the private sector to create new jobs if a few risks for the sector are minimized. Reference has been drawn particularly to the private service sector.

The kind of risks which need to be minimized include the uncertainty about future interest rates where firms have to borrow money to expand their employment capacity, the financial risks of training, orienting and breaking-in a new employee whose tenure is initially uncertain. The Minister's Advisory Committee on the Canada/Saskatchewan Job Creation Program has recommended that the government consider an interest rate abatement program for the private sector to guarantee that if money is borrowed to expand a firm and interest rates rise beyond a certain percentage point, the higher interest rates would be abated by government subsidy. The Advisory Committee has also suggested that such an interest rate abatement policy would be tied to a guarantee by the firm that no lay offs would occur during the contractual period.

This suggestion could be refined even further to offer private firms a further reduction on interest rates if they contract to employ for a given length of time certain targetted groups who have an employment disadvantage (like the physically handicapped, the middle aged worker, single parents, Natives).

Where such employment contracts were negotiated, the cost of training could be met either by the provincial Department of Advanced Education and Manpower or perhaps C.E.I.C. with the training perhaps offered on the work site where practical. The risk of bearing the cost of training and orienting an employee whose tenure with the firm is initially uncertain, could be off-set by providing a relatively short subsidy for the new employee to cover the period of time when the orientation and "sizing up" by both employers and employees takes place. It has been suggested that this subsidy period would probably not need to be more than about 3 months.

Over and above this risk abatement suggestion, it is noted that the Department of Tourism and Small Business has initiated since April 1, 1983 a program which provides a $5,000 grant for every incremental position created and maintained for 12 months by a small business. By mid-June, 1983, applications for half of the $20M allocated for this program had been approved, creating 2,000 jobs The ultimate cost benefit of this initiative has yet to be determined.

POLICY AND PROCEDURAL SIMPLIFICATION AND AUTOMATION

A major strength of the Saskatchewan Assistance program is its flexibility in providing benefits which closely fit the basic needs of clients. This strength is also the source of major difficulties with the program because:

a) Flexible but controlled use of the program requires workers on the front line who are experienced at client interviewing and assessment, workers who have the time to communicate with clients, listen to them, workers who have the knowledge and wisdom to make informed judgments about the needs of people;

b) A flexible program allows the appearance of unequal treatment in the absolute dollar value of benefits received by clients, and where workers' judgments about needs of similar clients are not consistent, there may develop the reality of unequal treatment;

c) Flexible or discretionary judgments by social workers give them real, and virtually unchecked power over clients. Coupled with the disadvantageous position of the client, his lack of information about possible entitlements and a fear and embarrassment about the welfare system itself, a condition of resentment, dependency, hostility and conflict easily develops

This judgmental flexibility in the program leads also to a tremendous amount of inefficiency and frustration for all concerned on points which should not be controversial.

While it was originally intended that the flexibility would be found mostly in the "special needs" section of the program, in practice a large amount of time is spent by workers assessing client bills for things like utilities, and rent in order that these actual costs can be reimbursed to the client retrospectively and future allowances made realistic, health services not covered by universal health services and supplementary health benefits for S.A.P. clients, assessing household, furniture and clothing needs, assessing assets and income in order to make changes in client payments and eligibility.

But even to change a single benefit consumes a tremendous amount of staff time and paper work where the cost of changing the benefit too often exceeds the cost of processing it. While a certain amount of time is needed to assess financial needs of clients, the majority of workers' time needs to be directed to the provision of social services: budget counselling and money management, development of self-help client groups, organization of volunteer work by clients, rehabilitation and employability assessments, community agency liaison and co-ordination, information giving and referrals, youth work, support services to families (particularly crisis intervention services.

The complexity and cost of running the present system, coupled with incredibly high caseloads per worker, means that almost all staff time is allocated to financial assessments and paper processing; almost no time is allocated to the social services.

Other than adding a large amount of new staff to maintain the present system, the only way to cope with client volume and begin to move towards the provision of urgently needed services, is to extensively simplify and automate the financial scheme.

1. Intake of Clients

Any attempt at streamlining the Assistance Plan, improving the assessment and relationship with clients, must begin with the intake process. This stage is so important to the services made available to clients and to the outcomes for clients, that the workers most skilled at counselling and client appraisal should be assigned to the stage (contrary to the present).

A major improvement needs to be made in the information given to clients at this point about their potential benefits, rights and responsibilities. Coincidently the program needs to acquire as rapidly and accurately as possible some common application information from all clients.

There is value in attempting to form peer groups of clients, particularly where the group may stay largely intact through later programming (i.e. for single parents, for job readiness training, fully employables, etc.), and where the group may provide its members with mutual support and help in daily living in their neighbourhoods. Creation of these groups may alleviate some client feelings of fear and frustration with the system, may help release loneliness if the group is used in a neighbourhood context and indeed may speed up the intake process by having more articulate and knowledgeable clients assist those less knowledgeable in completing the intake forms.

This approach to intake suggests that S.A.P. intake officers ought to be decentralized even more than is presently planned - into neighbourhood offices. This decentralization would also permit specialization in some instances. Presently there are two cases where intake of psychiatric out-patients is handled on the site of the health centre. This works well. The hospital social workers have recommended that specific intake workers be assigned to other hospital or health related programs so that a few workers become familiar with the special needs of disabled clients and the benefits (health as well as social services) which are available to them.

A delegation on behalf of the handicapped have complained that they were not told of benefits to which they were entitled because, they believe, the workers themselves were not aware of them.

The Assistance Plan does not use any audio/visual aids at present. Testing the use of audio/visual aids should be initiated. The Department could prepare an audio/visual presentation on the benefits, rights and responsibilities of clients in the program including in the presentation explanations about the Assistance Plan process itself and the various types of special services which can be offered to clients. This audio/visual presentation to all potential clients before any documentation is asked for.

A second audio/visual presentation could be prepared to illustrate for the client how to complete the necessary documents to enroll in the S.A.P. program. This presentation should also explain the kind of supporting documents required to prove certain points about eligibility, need, and other claims made by applicants.

An application kit which is easily understood by clients is urgently needed. The Unemployment Insurance forms kit may be a useful model to examine. With revised forms, a kit and audio/visual aids, most clients should be able to complete documentation without help from staff.

At the completion of this audio visual presentation clients can be initially screened to determine which ones can complete the intake documents in a group setting and which clients need individual help. During this screening, an assessment can be made of clients to determine which ones should be referred to specialized social workers. Following this initial screening, sorting of clients and initial forms completion, interviews with all clients should take place on an individual basis.

Experimentation with group intake has been tried in Saskatchewan, Edmonton, several places in the U.S. including New York City. It does require special training of the group intake workers and it requires some screening of clients to ascertain which ones will need help on an individual basis. It also requires simplification of forms, explanations and a good orientation of the clients themselves before beginning the process.

While group intake is not refined in Saskatchewan nor will it be universally accepted, encouragement should be given to its development.

2. Application and Eligibility

a) Family Head of Household

S.A.P. regulations require that an application for assistance be made by the head of the family, unless the unit administrator is satisfied that the head of the family is unable, for a valid reason, to make the application, where upon such application may be made by another member of the family or by some other responsible person on behalf of the family.

Although the regulations don't specify who is "head of the household", in practice S.A.P. staff usually assume that the head of the family is the male adult in the family. Such an interpretation is sexually discriminating. For example, if a family would qualify for assistance but the male head of the family refuses to apply, it would be discriminatory not to allow the female adult of the family to apply on her own behalf and that of her family. What is of critical importance to S.A.P. is not the application for assistance, but the declaration of family income. Perhaps this needs to be a joint declaration if the female head of the household applies for assistance. It is also recommended that the S.A.P. regulations be amended to remove reference to sex when referring to a recipient.

b) Conditions of Eligibility

Regulations require that a recipient produce evidence that he has "explored within the limit of his ability, every possibility of self support, rehabilitation and re-establishment...". Rather than producing evidence that he has "explored" it is suggested that the regulations should require that the applicant "produce evidence that he cannot support himself". The remainder of the existing clause should be adjusted to read, "that he has applied without success for assistance and services provided in Saskatchewan by any Department or agency of any government or by any crown corporation". Presently a person need only "apply" - not "apply without success".

c) Strikers and Job-Quitters

It has been suggested that those people on strike and those who quit their jobs should be ineligible for assistance. With respect to strikers it has been said that the striking union should have the responsibility to provide for its members and families on strike. If a striker or his family is in need and meets other eligibility criteria of S.A.P., it is not an option to refuse him benefits. This violates the conditions of the Canada Assistance Act and would jeopardize cost-sharing for the who program. Furthermore it might very well violate civil and human rights

With respect to excluding people who quit their jobs, there are many reasons why a person may voluntarily leave employment, such as health reasons, child care responsibilities, the cost of employment being greater than can be afforded (e.g. transportation over some distance), location of employment and incapacity to relocate family, etc. The possible good reasons for leaving employment are too complex and varied to develop a simple welfare rule of excluding these people from S.A.P. eligibility.

d) Effective Date of Application and Eligibility

If clients are eligible for social assistance, the effective date of their eligibility is the date on which they sign the application form. Since most forms are completed by the worker, the form isn't signed until a worker interview can be arranged. With the current time delay in arranging an appointment, the application may not be signed for a week or more after the client has identified his need for social assistance. Even mailing out application forms for signature may present a delay of several days.

The problem is exaggerated in the northern administration area where it may be impossible to arrange for prompt intake of clients if the intake has to be on a face-to-face basis. This predicament is a source of well founded irritation amongst new clients.

In the short term there aren't many solutions to be offered without creating the potential for abuse. However, all clients should be clearly informed that their potential eligibility date is tied to their signature on the application form. Some clients will then pick up the forms regardless of the interview date. Mailing out application forms should be continued. A policy of accepting an application by telephone may need to be developed for the north (with written documentation to be handled at the earliest convenient time thereafter). Group intake will shorten the lag time for application and finally when full automation is in place, a client's verbal request for assistance could be noted in the computer file, and when application and eligibility assessment are completed, any payments could be retroactively applied.

e) Transients

The C.A.P. Act does not allow residency requirements in the law to receive cost-shareable social assistance. There is a simplified application form and processing system for transients who may be eligible for benefits up to four days, renewable for four more days at the discretion of the regional director. What benefits are actually provided and how transient clients are treated is a matter of considerable inconsistency from region to region.

Furthermore the definition of a "transient" is not clear. Non-residents of certain local communities requesting S.A.P. assistance are being treated as transients when in fact they are provincial residents. An example of this has to do with a woman who might have to leave her husband for good reasons and leave her community at the same time. She takes up residence in a different location in order to re-establish her life. At the point of applying for assistance she does not have a place to live. Under these circumstances she may be treated as a transient.

The Department needs to develop a comprehensive policy to define transients, establish appropriate benefit levels and case approaches. Then assure the consistent application of the policy across the province.

3. Benefit Schedule

There are a number of approaches that can be taken as the basis for calculating benefit entitlements. The most common approaches are:

- An income tested approach;
- A flat grant approach, weighted by family size and composition. The flat grant could be tied to some index of poverty;
- A needs tested approach with considerable discretion to adjust benefits for "special need";
- A modified needs tested approach where the majority of needs are calculated as a flat grant and included in a pre-added budget, with "special needs" being carefully defined and restricted.

The income tested approach is relatively easy and simple to administer, but it would have the disadvantage in Saskatchewan of encouraging more people onto the S.A.P. caseload, increasing total assistance costs while not necessarily meeting the needs of those most in need.

The flat grant approach is also simple to administer but it is a relatively insensitive financial tool because it does not take into account differences in real needs of families, and it cannot take into account differences in the cost of services to individual S.A.P. clients. The best example of a major cost difference is housing where there can be a few hundred dollars difference in the cost of providing housing for the same size family depending on the housing market in different communities. If a flat grant approach including housing costs were adopted in Saskatchewan at a single point in time, it could cause chaos for S.A.P. clients. They would spontaneously have to adjust their household costs, shelter and other needs to fit the flat grant when controls over the cost of some of the commodities like utilities and shelter could not be exercised.

The present needs tested approach is the most sensitive financial tool but it is so complex and expensive to administer, subject to the reality or the appearance of inequity and discrimination, that it needs to be modified.

A suggestion which seems to fit the Saskatchewan circumstances best at the present time is to adopt a modified needs tested system which has the following characteristics:

a) A Basic Personal and Household Allowance which is similar to the present pre-added system with considerably more items built into the pre-added budget, with flexibility on shelter costs. This budget should be adjusted to relate to family size; that is, not only should the basic allowance be different to reflect the costs of food and clothing for more family members, but also the allowance should reflect different expectations for the consumption of utilities, transportation, and the minor but regular repairs and maintenance of the household and its basic equipment.

This basic allowance should also be stratified to accommodate different living arrangements (i.e. room and board, separate household institutional care, etc.).

This basic personal and household allowance is intended to cover nearly all personal and household expenses without uniquely identifying the expected cost of components of the many items in the basic allowance. (That is, there would not be a specific amount identified for food, clothing, personal expenditures, utilities, laundry, etc.).

The allowance would not be expected to cover the purchase of major equipment like stoves, fridges, etc., or moving costs.

b) A Special Needs Allowance would be defined and limited to cover special health benefits mainly for the disabled not covered by the health plan, education and rehabilitation costs, employment related costs including provisions for job readiness and job search training and supplies, a volunteer allowance and unusual costs which are associated with self-help activities.

The intention of the Special Needs Allowance is that it should be restricted to very specifically defined needs which are mainly of a rehabilitative nature.

c) An Emergency Fund to deal with transient aid, and special assistance to other S.A.P. clients who face a catastrophic event or a one-time large household cost. A catastrophic event would be one unforeseen in a Basic Personal and Household Allowance such as the need to completely re-establish a household after a fire or flood or marital breakdown and family separation, provide for burial, initially provide expensive basic household equipment (stoves, fridges), or provide for relocating families.

d) A Northerner's Adjustment Allowance

There are some key cost differences between northern Saskatchewan and the south. A study undertaken by the Saskatchewan Public Service Commission in December, 1982 proves that food costs in northern communities vary considerably but are at least 15 percent higher than the south on average.

Similarly, heating fuel per month is inordinately higher than southern heating fuel costs. Northern housing does not have the "life" of southern housing. Maintenance costs are higher if the housing stock is to be retained.

To adjust for these real cost differences, it is suggested that a northerner's adjustment be applied to the Basic Personal and Household Allowance for those living in the area of the Northern Administration District. The adjustment factor should be reviewed annually.

Suggestions have been made that this Basic Personal and Household Allowance should be indexed to some national standard of inflation or poverty so that automatic adjustments occur. If the government wishes to pursue indexing, there are a variety of measures readily available to which the Basic Personal and Household Allowance could be tied.

There are some risks in tying a basic budget to an automatic index. First, it presumes that the base of the allowance is correct in the first instance and by simply adding inflationary increases from time to time this will yield an appropriate basic living allowance in the future. Experience in Canada has shown that rarely can one arrive at a basic living allowance which is thought to be acceptable to the majority of people.

Secondly, most governments prefer to reserve the option to increase social assistance rates as they deem necessary and as provincial revenues permit. This has been the historic pattern in Saskatchewan.

Thirdly, at the time when a substantial change is being proposed to the basic allowance and where major changes are proposed for income exemption (later in the report), some experience is needed to know how the benefit level will fit the actual needs of clients. Therefore it is recommended that at least in the transition period, the basic allowance not be indexed.

When these allowances and conditions are established they should be published in a pamphlet (like tax tables) with an explanation of who is eligible, under which conditions, what counts as income, what income is exempt, how needs are calculated, what qualifies as a "Special Needs Allowance" and what constitutes an emergency. (Similar detailed pamphlets are produced by the Health Department to explain complex programs like medical and hospital care).

Reasons for proposing a change in approach to the benefit schedule follow. Presently, an individual's social assistance budget consists of a "pre-added" amount which covers food, clothing and a personal allowance (related to family size), a standardized household allowance of $60 per month (not related to family size), and then other allowances for utilities and shelter which may be paid at the actual utility and shelter rates to a regional maximum for rent. Over and above these allowances, a large range of allowances can be granted for special needs. There are some problems in approaching the budget in this manner:

a) Detailed Benefit Rates and Lack of Spending Flexibility

In practice clients only have flexibility within the pre-added budget to adjust their spending habits. Other items are essentially fixed at actual costs. More cost items in a basic budget would give clients flexibility to set their own spending priorities and adjust their habits accordingly (e.g. more spent on food, less on heating fuel or perhaps shelter).

Further, detailing many specific rates always leads to a complaint that some items are excluded from the covered list and therefore should be met through the special needs budget; or that an individual rate is too low and needs adjustment. Critics of the payment schedule will always argue that one item or another is out of line with the real costs in the economy. No one wins this debate because governments tend to make their decisions on the basis of global effects of all the benefits.

b) The household allowance of $60 per month is provided to each person or family unit maintaining their own household. This allowance is intended to cover minor repairs and furnishings, and is further intended to be accumulated by the client until the need for its expenditure arises or until the amount covers the cost of the item which has to be repaired or purchased. Too frequently this household allowance is used to top up other budgetary items by the client and is in fact not accumulated to handle household rapairs. When a serious repair then needs to occur, the funds do not exist. To deal with this situation the Department first uses advance payments against this allowance up to six months, and then may have to grant money through the special needs account. This is administratively expensive to facilitate and monitor. Furthermore, it doesn't make much sense that the present household allowance is not related to family size.

c) Utility costs are not included in the pre-added budget but are set at a fixed rate for the province with a discretionary clause that allows the program to adjust the utilities to the "actual" rate of utility costs. This adjustment to actual requires proof that the utility costs are actually higher than the provincially set benefit level. It would appear the standardized benefit for utilities has not kept pace with the actual rise in provincial utility rates.

While the client has not suffered because of these increasing costs, the staff are now required to individually screen and adjust S.A.P. payments for utility bills for about one-third of the S.A.P. households. This is obviously inefficient.

Saskatchewan Power is now working to establish average energy costs for households. When this is completed and is adjusted for other utility costs, the amount can be moved into the Basic Personal and Household Allowance as a standardized amount.

d) Shelter Costs

The Department pays actual shelter costs to a maximum which is regionally set by the advisory boards. Until April 1, 1983, the regional board could move up the regional maximum shelter cost as circumstances necessitated; but presently all shelter rate maxima have been frozen.

There are four dilemmas about paying actual shelter costs.

i) Some landlords, knowing the Department can raise its rental rates to reflect regional rental costs, have an incentive to push-up their rental rates until there is a shortage of affordable housing for welfare clients with the knowledge that the regional advisory boards will then have to raise its regional ceiling on rents to accommodate the higher prices.

ii) It may create the situation where S.A.P. clients may be seen to have better accommodation than non-S.A.P. low earning people who have no housing subsidy. Alternatively, obtaining a low income job by a client may force him to lower his standard of accommodation.

iii) Earning exemptions are calculated on the basis of a client's "total need" which includes rent of shelter costs. In order to maximize the earning exemption there is an incentive for the client to seek the highest price housing that will be paid by the Department.

iv) If maximum rental rates are frozen (as at present), but if rental rates generally are increasing in the economy, non-S.A.P. clients seek to obtain cheaper accommodation in order to stretch their income. This move to cheaper accommodation may absorb a large amount of the available stock of low cost shelter which enables the landlords again to increase rents. But if these rental rates exceed the frozen regional maximum, S.A.P. clients may either have to move to most unacceptable housing units, pay more than the

> region may acknowledge (and find the money by reducing other budgetary allowances) double-up in housing, or find no housing at all. Recent press reports suggest that some of these implications are now being felt although there were few specific reports to the Review about such conditions.

Shelter costs are very difficult to move to a basic budget at the present time because of the great variance in shelter costs across the province. Nevertheless it is worth attempting to establish standardized housing rates by size of family and consider including these standardized rates in the basic budget at a later date. If feasible, it is suggested that movement to this arrangement should be staged and very carefully monitored so that a large number of clients do not find themselves homeless for lack of affordable housing, or because too many clients are competing for lower cost housing all at the same point in time. If a test of this scheme were to be made it would be useful to begin in a community which has a surplus of low cost housing.

More generally with respect to housing, the current high rate of unemployment is forcing people other than social assistance clients to look for cheaper accommodation. In fact a significant number of people are seeking social assistance mainly because of their inability to pay rent and utilities.

Currently there are 1,829 cases on S.A.P. who receive financial aid less than the regional maximum shelter allowance. Some of the cases would leave S.A.P. if lower cost shelter were available.

There is a known shortage of low income public housing in the major provincial cities. One reported estimate in Regina City alone is a minimum shortage of 1,700 units. (The estimate may be inflated by double counting). There is also a cost advantage to the Saskatchewan government and to S.A.P. to provide low cost housing by cost-sharing through C.M.H.C. rather than cost-sharing rents through C.A.P.

While a detailed study of housing arrangements is beyond the mandate of this S.A.P. Review, it would appear that the existence of a larger stock of low income public housing would remove some individuals from the Assistance Plan and would prevent others from having to enroll in the program in the coming months. Furthermore a better stock of public housing would likely assure the government that public monies were being spent for a higher quality stock and service than is presently now obtained.

And finally with respect to housing, in some instances the S.A.P. program has been used to make extensive repairs to existing housing for clients. Cases have been reported where costs have run into several thousands of dollars for home repairs. S.A.P. is not in the housing repair business and should limit its involvement in housing repairs to very minor items. Discussions need to take place with the Saskatchewan Housing Corporation to determine what assistance it can provide to the occasional S.A.P. client who must have extensive housing repairs undertaken when no other appropriate accommodation can be found.

e) Special Needs Budget

Presently the special needs budget is a "catch-all" for most items not covered in the pre-added budget, utilities and shelter allowances. It is a budget with considerable discretion for workers, inconsistently applied policies for its use, and worry by government about its control.

Suggestions to define and restrict this budget have been made. It should be noted that items such as laundry, routine transportation and similar items which are now paid from the special needs budget would be moved to the Basic Personal and Household Allowance. For transportation, a standardized allowance for all families would eliminate the need to take into account the differences in transportation habits of clients. Where there are special transportation needs such as those involved in employment and education, these can be handled under the tailored benefits suggested in the re-defined "special needs" account.

Retroactive adjustments (now paid from this account) for health costs, utilities and shelter would not be needed in most cases. Currently the special needs account has a limit of $500 maximum for a single individual. Thereafter it requires the approval of the Minister (delegated to an official) and an official from C.A.P. if cost-sharing is to be obtained. Much staff time is spent preparing documentation to seek this approval. Whether or not the special needs account is re-defined in the suggested manner, it would be desirable to raise the ceiling, perhaps to $1,500. This will require negotiation with C.A.P.

Furniture grants are made under the special needs budget. As the legislation and policies are now written, many clients could be considered eligible for furniture grants of $2,000 to $3,000 each. It is not the intention of the S.A.P. program to aid clients to accumulate capital assets at the direct expense of the program, although the purchase of some furniture for some clients is an obvious necessity. Some suggestions are made later in this report to deal with furniture and household goods for clients. Beyond that, the Department may wish to clarify the details of its "furniture" policy for the field staff.

f) Transient Aid

When making provision for transients, every effort should be made to use non-governmental social service groups like the Salvation Army and their hostels to achieve low cost board and room rates. If more temporary accommodation is needed for transients, the Department might find a cost advantage if it block funded a greater number of hostels throughout the province rather than providing some transients with hotel accommodation and a meal ticket.

Summary

In summary, standardizing more individual rates and including them in a Basic Personal and Household Allowance (with an adjustment for northern Saskatchewan), with flexibility to handle true rehabilitation needs through the Special Needs budget and emergencies through the Emergency Fund should simplify the benefit structure considerably and remove also a degree of discretion for field workers which has been troublesome for workers and clients alike.

4. Family Income Plan Interface With Saskatchewan Assistance Plan

The Family Income Plan, initiated in October, 1974, was introduced in Saskatchewan to re-distribute income to assist low income working families to meet the cost-of-living. The attempt was being made to ensure that a family was better off working than remaining on welfare. The benefits were targetted to the needs of children in working families.

A worker earning minimum wage in Saskatchewan can usually support himself and his spouse, but depending on family size and its needs, in some instances the income earned through full-time employment at minimum wage is less than need and less than the individual would have obtained had he been enrolled on the Saskatchewan Assistance Program and not working at all. By building the children's benefits into the F.I.P. program (and so long as these benefits are as great as the benefits which would have accrued for the children under the S.A.P. program) the worker will be better off working and receiving F.I.P. than not working and receiving S.A.P. alone.

An additional objective of the F.I.P. program was to provide a transition program from dependency on the welfare program to independence through full-time work at an income which fully meets the needs of a family.

Regardless of the current merits or demerits of the F.I.P. program, it has not contributed to a smooth transition between the S.A.P. program and the wage oriented economy.

From the time of its inception problems have been experienced in the interface between the S.A.P. and the F.I.P. program. Depending on benefit levels for S.A.P. and F.I.P., and depending also on the amount of income earned by the family, a large number of clients regularly move between the S.A.P. and the F.I.P. program and vice versa. This poses the usual difficulties of opening case files and closing case files for both programs, and also ensuring that people receive the benefits to which they are entitled - not more nor less for either the S.A.P. or the F.I.P. program.

Furthermore, the two programs are not sufficiently common in their basic definition that it is easy to facilitate the move of clients back and forth between F.I.P. and S.A.P. For example, F.I.P. bases its financial assessment on a client's calendar year of income, while S.A.P. reviews monthly income. Assets in both programs are treated differently.

For the S.A.P. program the inefficiency exists that anyone applying for S.A.P. must first apply for F.I.P. and have their eligibility determined. For an individual who qualifies for both F.I.P. and S.A.P., the F.I.P. benefits are then subtracted from the S.A.P. payments so that there is in fact no net gain for the individual. There are also those cases where having applied for F.I.P., the individual's needs then do not require assistance from S.A.P. It is noted that about half of the client group on F.I.P. is also on S.A.P.

S.A.P. workers, particularly in the north, complain that they spend a great deal of time helping some clients complete F.I.P. documents, plus corresponding with the F.I.P. program on behalf of recipients. There is extra administrative time involved in having clients apply for F.I.P. and then subtracting off those benefits off the S.A.P. payments. Clients complain that this entire process is bureaucratic and confusing for them. With the exception of the north, the facts do not support the contention that this interface difficulty is a major staff time consumer; but it is accepted that it is inefficient and a large irritant at a time of heavy caseloads.

In the briefs received in this Review, there is a concensus that the F.I.P. program should not apply to S.A.P. clients; that is, all of the benefits should come either from the S.A.P. program alone or from the F.I.P. program alone. If this were done, it would simplify the program for the clients and the workers, there would be a cost saving in terms of administration. (In the north the savings would be much higher). There would also be some administrative and staff saving for the F.I.P. program which could then be reassigned to other priorities of the Department.

Regardless of this simplification suggestion, there will remain an interface problem between S.A.P. and F.I.P. When an individual applies for S.A.P., workers will still have to ensure that the individual is not receiving F.I.P. and if he is, have those benefits stopped. And at the same time a person applying for S.A.P. might be ineligible if he applied and received full benefits under the F.I.P. program.

There is also the problem that S.A.P. operates on a budget deficit method of eligibility while F.I.P. works on an annual income projection. There is likely to be some difficulty with people projecting their incomes correctly and then flip/flopping between the two programs periodically throughout the year. This will involve re-applications to the program which will be aggravating.

Several things need to be done. When the S.A.P. system is fully automated, a number of the cross-checking problems can be done by machinery and will not consume workers' time. The F.I.P. program itself needs a separate review to determine how useful the program is in 1983.

Some briefs have suggested it be terminated or re-designed in a major way. If the program is to be retained, it makes a lot of sense that an effort be made to standardize income and asset definitions and accounting periods between the S.A.P. and the F.I.P. programs so that once having given the information to a worker, it will be readily apparent whether a person is eligible for F.I.P. or for S.A.P.

5. Automation

Complete automation of the records of the Saskatchewan Assistance Plan and the payment process is a most urgent necessity. Many other reforms of the S.A.P. program and work simplification depend upon the automation of this program.

The Saskatchewan Bureau of Management Improvement has completed a feasibility study of the automation process and has concluded it is not only feasible and urgent but it is extremely cost effective. It is understood that the government intends to proceed with this automation project shortly.

Without reviewing the details of this scheme, it can be conceptualized much along the lines that the airlines have automated their ticket and payment systems. It has been developed in at least one other province and in several states of the U.S., and it works.

There are a few additional remarks to make about automation as a supplement to the B.M.I. report. First, the Department of Social Services over the past decade has made many attempts at automating bits and pieces of systems. Invariably the result has meant more work at the field level even though there may have been overall benefits to the Department. It is vitally important that automation of the S.A.P. system produce real benefits for front line workers as early as possible. Among the benefits that must accrue if this system is to be successfully received, is the placement of on-line terminals in S.A.P. offices where there can be a direct input of information to the central file and where there can be immediate access to information contained in that file.

Secondly, there is no forms control program or policy in the Department. Forms have been developed for every conceivable issue, and have multiplied to the point that no one is any longer sure of how many forms are in use or for what purpose all the fors are required. Many forms are out of date and are cumbersome to use.

It is recommended that coincident with the development of the automated system that a forms expert be hired to produce the minimum number of essential forms in a simple format, eliminating as many of the present forms as possible. Every effort should be made to develop forms which are self-explanatory and in a number of instances can be completed by clients themselves. A comprehensive application/declaration form should be developed as a priority.

Other Simplification Suggestions

a) The program ought to have the capacity to make third part payments directly from S.A.P. to vendors thereby eliminating the use of most requisitions.

b) With respect to returned payroll cheques, the system ought to have the capacity to re-direct a payroll cheque to a client's new address rather than having the cheque returned to the Finance Department, cancelled and having the regional service account issue a separate cheque to the client.

c) Regional Service Account cheques and accounting is now manual. It should be automated.

d) The system ought to obtain automatically the client's provincial health services number and promptly generate a supplementary health services card and number.

6. Health and Related Issues

Health benefits over and above the health services which are insured by the Health Department, are paid for S.A.P. clients by the Medical Services Division of the Health Department, and for some services by the S.A.P. program directly.

Presently there is unnecessary duplication in the administration and payment for S.A.P. client health benefits. The objective of reforming this process is to have the Health Department administer all health benefits for S.A.P. clients by extending the present supplementary health benefit system to pay under the Health Department administration those health benefits now paid by the Social Services Department. Cost-sharing of these accounts will not be lost if an "agent" agreement is signed between Health and Social Services Departments.

The historic difficulty for the Health Department in handling the payment of health benefits on behalf of the S.A.P. program has been the inability to identify promptly the S.A.P. clients with a supplementary health number so that health vendors and the Department can identify who is eligible for benefits, and so that cost-sharing can be obtained. This difficulty is now being overcome and will largely be eliminated with the automation of the S.A.P. system.

Some special difficulties are listed below:

a) Home Care

S.A.P. clients receiving home care are required to pay $30 per month. These home care costs are paid by S.A.P. out of the special needs budget and each case has to be assessed individually and the cost refunded to the client.

It is recommended that all home care costs of S.A.P. clients ought to be paid out of the home care budget of the Health Department. For cost-sharing and budget analysis purposes, the home care boards should identify and note the cost of services to S.A.P. clients by using the supplementary health services card number, and report these cases and costs to the Health Department as necessary. The aggregate bill can then be treated as a whole for cost-sharing rather than treating the individual amounts.

b) Ambulance Charges

Ambulance charges for S.A.P. clients are also paid directly by the S.A.P. program. There are instances where S.A.P. clients in special care homes are placed on S.A.P. solely to cover ambulance costs. With the Health Department assuming responsibility for the road ambulance system and setting up a new budgetary arrangement, the costs associated with ambulance services for S.A.P. clients could be rolled into this general budget. Again, like home care, the S.A.P. clients and costs could be identified annually for the purpose of cost-sharing.

c) Drug Prescription Charges

Adults on S.A.P. who are not chronic prescription drug users or nursing home residents receive "Plan 1" coverage under the Health Department's program, which means that they must pay the prescription charge for drugs. Most clients save their receipts and submit them to their S.A.P. worker for a refund. This is inefficient for workers to be tallying the dispensing fee part of prescription drug charges and issuing rebates to clients.

It is recommended that the dispensing fee portion of prescription drugs should be paid by the

Prescription Drug Plan directly to pharmacists on behalf of clients with a supplementary health services card, with the dispensing fee charges being aggregated periodically for cost-sharing.

7. The Definition and Relationship Between Income and Assets

There is difficulty in the current regulations in determining when a payment is "income" and when it is an "asset". Under the current generous provisions of the cash and liquid asset exemption, this becomes a fairly important distinction to draw. If the cash and liquid asset exemption is reduced, the problem may not be so great.

Equity must also be found in the treatment of resources. For example to treat an inheritance as an asset if it was received before applying for social assistance, but to treat it as income if it is received after receiving assistance is inequitable.

Another example, dealing with monies received from separation agreements, the regulations require that this money be considered income. Where such a settlement involves marital property settlements which take effect after a recipient is on social assistance, the wife cannot use any of this money to buy a home or keep any of it as a cash or a liquid asset to the exemption maximum. It is recommended the regulation be amended to permit the use of retroactive income from a marital settlement to acquire a home or take advantage of the maximum cash and liquid asset exemption before the money is considered as income available for current maintenance.

Further, clarification of jointly owned property at the time of a marital breakdown needs to be made in the regulations because the client might not be able to dispose of the jointly owned property in order to apply the proceeds to current maintenance.

Section 29 of the S.A.P. regulations defines income. This section will have to be re-written to clarify what in fact is income and the definition should be made consistent with income definitions for exemption purposes (not now the case).

In her report, Dorothy Zarski offered a set of principles to distinguish between income and assets which the Department could use in clarifying the regulations. These principles remain a useful set of guidelines.

"That the term 'income' be applied to recurring or potentially recurring receipts of cash or goods and services such as salaries or wages, annuity payments, interest/dividents on stocks, bonds, etc., income security benefits, family maintenance payments, etc.; and that 'assets' apply to a stock of resources at a given point in time such as cash on hand exceeding the current living or operating requirements, money in a bank or trust account, various kinds of securities, etc.; and a lump sum payments from sources such as an inheritance, a lottery and sale of property including the home but not to lump sum retroactive payments of benefits intended to provide for maintenance, such as income security benefits, maintenance provisions under a separation/divorce or affiliation order or agreement. The rationale for the latter distinction is that had the payments been made on a regular basis over time as they should have been they would have been 'income' and the person would not have been eligible for assistance or as much assistance. Property settlements resulting from family break-up which are a division of assets of the union would, however, be considered under the assets provisions of the legislation. This would satisfy an equity requirement and would allow recipients who have little or nothing to establish a small reserve for emergencies or needs not met by assistance.

In the interests of equity and consistency it is also recommended that the formula for calculating the rate at which excess assets are expected to be used before a re-application for assistance could be considered be the same as that in Section 29 B. (4) in relation to use of assets disposed of prior to application".

In re-writing income regulations it can be noted also that:

a) Section 29 (5) states that "the total amount of any pension, allowance or insurance shall be considered income". It should be made more explicit by re-phrasing the clause to read "the total amount of any pension, income tax refund, workers' compensation benefit, allowance or social insurance including retroactive payments shall be considered income to be used for current maintenance".

b) Section 29 (7) dealing with income from individuals, benevolent organizations and other agencies is essentially redundant now because income of this kind is rare today. Furthermore, the expansion and clarification of the "gifts" exemption (discussed later) will cover off possible income from individuals and benevolent organizations.

c) There are a series of problems related to the assessment of small farm and small business assets, income and exemptions under S.A.P. regulations. Assessment of these resources cause enormous problems for the social worker who is not equipped to appraise income and assets of farm businesses or small non-farm businesses. Furthermore, the S.A.P. program is not intended as a business support for farming or any other small business.

Attempting to distinguish what is a financial resource available to the small business and what is a financial resource available to the family, when one is also looking at goods and services in kind as well as cash, is virtually an impossible distinction to make by S.A.P. workers. Some special attention has to be given to this problem by the Department of Social Services in co-operation with the Departments of Agriculture, and Tourism and Small Business. Assessments of the viability of the farming operations or small businesses need to be undertaken by specialists in the Departments of Agriculture and Tourism and Small Business so that the person requesting assistance from the S.A.P. program is being appraised solely on the basis of personal and family need not farming or business need.

Further, in the S.A.P. program there is no limit on the assets that a farmer can have when applying for assistance; while in the F.I.P. program the asset limitation is $150,000. It does not seem reasonable that a farmer with large assets, for lack of cash flow should be able to gain social assistance because he is unwilling to dispose of some of his farm assets. While on the other hand, non-farmer clients with some assets which may be similar must dispose of all these assets down to the maximum of the cash and liquid asset exemption before they can qualify for social assistance.

8. Assets and Income Exemptions

The regulations and policies concerning assets and income exemptions are most ambiguous, inconsistent and sometimes an unfair element of the S.A.P. program. They have not been revised in concept since the inception of the S.A.P. program, and now they truly don't reflect current conditions. The Department needs to establish a small group to provide the government with detailed recommendations for revising these regulations and for costing out the impact on clients of changing the exemptions. This S.A.P. Review will only offer some guidelines and suggestions on the items most frequently criticized in the briefs to the S.A.P. Review.

Taken together the provisions concerning assets, income and exemptions fabour the person with more initial assets and property. For the client with virtually no income or assets or property, the regulations severely limit this client from acquiring any assets, saving or augmenting his S.A.P. benefits via the income and asset exemption clauses.

If the fundamental principle of the S.A.P. program is to assist people in need, and if the program is to attempt to direct the most benefits to those who are the most needy, then in principle there should be very few exemptions as to what is calculated as income to the client.

If there is to be a bias in financial policies, the bias ought to favour the children in welfare families, or favour families with children. The object here is to minimize for the children the stigmatizing, dehumanizing and demotivating effects of the welfare system so that the handicaps are not carried over into adult life.

With respect to the detail of the income exemption provisions, the following suggestions are made:

a) The child tax credit paid by the federal government is exempt but family allowance paid by the federal government are not exempt. Saskatchewan is the only province in Canada that calculates family allowance as income to welfare families - (but there is reason to believe that because of this family allowance exemption, other children's benefits are not as generous as in Saskatchewan).

While not exempting family allowances in Saskatchewan, exemptions are made for a whole series of property related grants which seem to have little justification for exemption. The appearance exists that the S.A.P. program is more sensitive to property than it is to children.

It is recommended that the child tax credit remain exempt from income and that the federal Family Allowance grant also be included as an exemption from client's family income. Exempting family allowances is an expensive proposition costing in the order of $8.5M annually (net to the province after cost-sharing about $4.2M). If the principle of allowing this exemption is acceptable but the cost can't be borne in the short-term, the cost impact could be moderated by eliminating certain other property exemptions (details to follow). Alternately, if property exemptions are to remain, the current personal allowance for children provided under S.A.P. could be eliminated at a saving of $5.5M gross. Or the exemption of family allowances could be implemented instead of the next increase contemplated for child benefits in S.A.P.

Much criticism has been heard that S.A.P. provides no assistance for the recreation of children. Exempting family allowance would go some way to provide a financial resource for child recreation.

b) "Casual gifts of small value" are exempted.

The ambiguity of this phrase is unacceptable. The value of exempted gifts ought to be related to family size and state a maximum. It is recommended that the exemption be "gifts in cash or kind to a maximum of $500 per year per family member".

c) "Contributions other than for ordinary maintenance to recipients or members of his family who require special care" are exempt. This exemption could mean almost anything and could include cash, goods, or even real estate. It also conflicts with Section 29 (7) of the regulation dealing with a similar topic but limiting such contributions as an exemption to that amount which is irregularly paid or is paid in amounts less than $25.00.

Given the suggested change in the gift exemption, it is recommended that this "contributions for other than ordinary maintenance" exemption be deleted.

d) Section 28 (2) (d - a) of the regulations dealing with the grandfather clause on income exemptions prior to October 31, 1974, can now be deleted because there have been no cases relating to this section.

e) "All earnings of dependent school children attending school including summer holidays" are exempt. In itself this exemption is reasonable and encourages a work ethic amongst children. If recommendations concerning 16 and 17 year old youths are accepted, problems could arise for adolescents who may not be in school or may be in school only part-time and are living at home and working. In the new arrangement the youth would not be considered independent of the family and his earnings might then be considered as part of the family income and the S.A.P. benefits to the household would be reduced accordingly. This provides little incentive for young people to find employment which will yield any substantial income. While the hope exists that youths of this age will be attending school, for those who aren't, encouragement should be given to remain a part of the family unit and earn as much money as possible. Therefore, over and above a reasonable rent which is paid by the youth to the family, it is recommended that any other income earned by children up to the age of 18 should be exempt as family income.

f) "Gambling gains, lottery prizes and all other prizes up to a maximum of $1,000 per year" are exempt. It is extremely odd that the S.A.P. program would give encouragement to gambling gains while not exempting family allowances.

It is recommended that gambling gains, lottery prizes and all other windfall profits not be exempt except as they can qualify as a gift as outlined above in paragraph b).

g) "The home in which a person resides" is exempt as an asset. For clarification it would be better to re-phrase this exemption as "the principal residence in which the person resides and the furnishings contained therein".

h) "Property improvement grants, renter's property tax rebate and senior citizens school tax rebate" are exempt. When the S.A.P. program is paying actual rent for its clients or mortgage payments to the regional maximum for those clients who own their own home, it does not seem equitable that these clients should also receive the benefits of government rebates or grants related to this property.

Eliminating these benefits will undoubtedly be contentious and may be challenged as a human rights issue. Re-directing savings from these exemptions to child benefits, the development of rehabilitation services and to improved earned income exemptions seems a reasonable exchange.

It is recommended that these grants and rebates should be eliminated as an income exemption to the extent that the department paid the rent or mortgage in the first instance. It is also recognized that this will cause some administrative complexity because the monthly allowance paid to these clients will have to be altered in the months they receive any rebates or grants. The administration of this change will be simplified when the S.A.P. process is fully automated.

i) "Cash and liquid assets not exceeding $2,500 for a single recipient or $5,000 for a recipient with a dependent, plus $500 for each additional dependent" is exempt. Briefs to the S.A.P. Review generally considered these cash and liquid asset exemptions as being too high. It is hard to argue that a married couple with no children who have $5,000 cash in the bank are immediately in need of social assistance.

It is recommended that this cash and asset exemption be reduced to $1,000 for single, $2,000 for a married couple and $500 for each dependent child. Other exemption levels could be used but the level should not be set so low that an individual or family is absolutely without liquid resources before qualifying for social assistance.

j) Income or Assets From a Divorce Settlement

Assets at the time of application should not be considered until they are finally received and the exemption then applied. This particularly has meaning for divorced people where a property settlement is pending in the courts and no assets have actually been transferred. While present policy is consistent with this recommendation, cases were reported to the Reviewer where the policy was not applied consistently.

k) Earned Income Exemption

The earned income exemption states that the first $50.00 for a single person or $100.00 for a family unit, or 25 percent of the amount of social assistance need of the client or family unit is exempt. Thereafter each dollar earned is subtracted from S.A.P. benefits. This dollar deducted for dollar earned is known as a "100 percent tax back".

There are some severe problems with the exemption formula and tax back rate.

i) What incentive exists for a person to earn beyond the basic exemption level?

ii) The administrative cost of accounting for small bits of income which may frequently fluctuate from month to month, and making monthly adjustments to the S.A.P. cheques, is very costly to the program. It also leads to high error rates and over-payment problems.

iii) The person who claims the greatest amount of assistance need, obtains the most expensive housing and uses the greatest amount of utility services (all consistent with what the Department will pay), will benefit the most on the earned income exemption. By exempting 25 percent of the amount of "need" of the client, the plan gives advantage to the person whose total social assistance bill is the highest. Conversely the client who is attempting to do the most for himself without claiming need is penalized.

iv) In January, 1983, there were 257 cases on S.A.P. who qualified for some assistance now solely because of the 25 percent exemption rule, even though they were earning sufficient money to meet their basic needs according to the S.A.P. benefit rates.

A simplified example of this case is: It is recognized that most of these individuals initially were in need and through their increased work effort have achieved their present advantageous position.

Total Income:	$950.00	
Income Exemption:	$200.00	(1/4 of total need amount)
Income after Exemption:	$750.00	
Total Need:	$800.00	
S.A.P. Entitlement:	$ 50.00	

v) There is no scaling of the exemption so that a person has an incentive to earn more until he is independent of S.A.P. At the point where a client comes off S.A.P., he also looses certain benefits (e.g. health), or incurs other costs (e.g. day care), which may cause acute transitional difficulties.

There should be three objectives in establishing a tax back rate for earned income:

1. There should be a clear incentive to work by assuring that there is a continuing cash improvement for the client as a consequence of his labour.

2. The tax back rate should not be so low that there is an incentive for non-S.A.P. clients, working for low wages, to become S.A.P. clients to improve their condition.

3. There should be incentive for clients to attempt to save some of the earned income so that they

have some cash assets on which to rely for unexpected expenditures during the transition as they move off the S.A.P. program.

There is no tax back rate or formula which is a perfect solution; any changes to provide incentives to work will create some amount of inequity for non-S.A.P. working poor. Regardless, what has to be remembered above all else is that S.A.P. clients must receive some greater financial benefit for new work efforts or they will likely remain on the S.A.P. caseload for a much longer time, with S.A.P. picking up nearly the full costs of their support.

Some suggestions and criteria for improvements are offered. Once agreement is reached on principles and objectives for the earned income exemption, the dollar details will have to be worked out by the Department.

i) Make income exemption rules simple so that they are easily understood by clients and easy to calculate for staff;

ii) At the very minimum, no one ought to qualify initially for social assistance as a result of an income exemption policy and those now on S.A.P. whose income exceeds basic needs should be removed from the caseload;

iii) Drop the concept of "need" as being a basis for the income exemption policy and adopt the concept of "income" as the basis for calculating the exemption. (If a total reform of the income exemption policy can't occur in the short-term, at least change the "25 percent of need" rule to be "25 percent of the pre-added budget" - which will eliminate any incentive to maximize shelter and utility costs to gain a larger income exemption); (Note that adopting this recommendation will reduce the income of some clients. The effect of this reduction on individual clients would have to be examined carefully).

iv) Consider exempting all earned income which is "saved" and applied to the unused portion of the cash and liquid asset exemption;

v) After exhausting the "savings" exemption and to avoid the need to account for small amounts of casual income, retain a floor income - exemption of $50 per month for a single person, and $100 per month for a family;

vi) To deal with fluctuating monthly incomes and to reduce the administrative costs of accounting for monthly income, adopt a system of income averaging over quarterly periods with adjustments to S.A.P. entitlements (caused by changing incomes) to be made quarterly;

There will have to be conditions tied to income averaging to limit over-payments and the need to radically adjust downwards some client payments at the end of a quarter (to recapture over-payments);

Client self-reporting of monthly earned income, on an automatic mail-in system, could be considered as a mid-quarter check for unusual cases which might need immediate re-assessment of S.A.P. benefits;

vii) Consider the cut-off point for receiving S.A.P. benefits to be the point where income equals need;

viii) Any income exemption rule will have the effect that a person earning slightly over the S.A.P. cut-off point may take a significant drop in total income and benefits when he is cut-off. To ease this transition, consider allowing a "stepping down from S.A.P." period where some S.A.P. benefits are continued for perhaps 3 months after a person exceeds the cut-off point. Some step-down benefits might include at least continued supplementary health benefit coverage for 3 months, continued full cost coverage of day care costs for 3 months, a flat cash grant from S.A.P. which is reduced monthly for 3 months;

ix) Provide the greatest incentive to clients to earn income at the point where they enter the S.A.P. program so that their skills are not lost and work arrangements are made early. Another option to achieve this is to adopt a graduated tax-back policy where beyond the floor exemption, income is taxed back at rates of 25 percent, 50 percent and 75 percent to the point of client cut-off from the program. While on the S.A.P. program, tax-back rates should never reach 100 percent (so that there is always an incentive to earn more). Tax-back rates should start low but accelerate rapidly as a person approaches the cut-off part so that when a client is cut-off, the drop in disposable income is not unmanageable. Tax-back rates can either be applied to blocks of money (like first $200 earned, second $200 earned, etc.), or it can be applied to percentages of earned income. For simplicity, most other provinces have applied the tax-back rate to blocks of earned income.

It is recognized that this option adds complexity to the income exemption policy, but it does increase work incentives.

x) Careful consideration has to be given to whether exemptions and tax-backs should apply to gross or net incomes. When deciding this, it is reasonable that at least work related expenses and deductions should be subtracted from earned income before applying the tax-back formula.

9. Capital Accumulation While on Social Assistance

There is an inequity in S.A.P. regulations concerning the acquisition of capital by clients while they are drawing S.A.P. benefits. While examples of this inequity can readily be found in the treatment of farms and small businesses, a prominent example exists in the treatment of home mortgages.

For the person who comes on to the program owning his own house and making mortgage payments, the S.A.P. program will grant an allowance for the mortgage payment up to the regional maximum shelter rate. For the period of time that this client is on the program he is acquiring capital at the expense of the program.

For the majority of clients they own no home when entering the program and the accumulated effect of the various assets and income provisions of the program essentially dictate that this person rent shelter. At the end of this client's time on S.A.P., he has no capital asset to show for the investment in rent.

It would seem that the S.A.P. program should either support certain types of capital accumulation or it should not. And there ought to be consistency in the treatment of capital acquisition for different types of clients while on the S.A.P. program. Using the housing example to illustrate, if S.A.P. does not want to support capital formation at the expense of the S.A.P. program, then it might consider taking out a lien against the home of the client to the extent of the payments made toward that home by the S.A.P. program. On the other hand if S.A.P. does support capital formation and does want to encourage clients to obtain their own homes, it might consider seeing what arrangements can be made in co-operation with Saskatchewan Housing to assist clients to purchase homes at mortgage rates within the shelter allowance maximum of S.A.P.

The Department needs to review and clarify its policies affecting capital accumulation while on S.A.P.

10. Staff Workloads and Training

A repetitive theme throughout this report has been the high caseloads of S.A.P. staff which cannot be sustained at current levels without extremely serious consequences for the program and its clients. In the recent past the Department has made several attempts to analyze its S.A.P. workload and its distribution in an attempt to re-direct staff time to priority functions, equalize the caseload burden amongst individual workers and across regions. There is a limit though to what more can be achieved by re-arranging clearly excessive caseloads per worker.

Most briefs to the Review, both from workers and from private individuals and agencies, have expressed concern about staff overload. Of course, the most frequent appeal was for more staff. While more staff may be needed in the short-term to cope with the current volume of clients in the present inefficient system, what number of staff and what mix of professional/non-professional staff is needed after simplification steps are taken is not at all clear now and won't become so until the effects of simplification are experience.

What must be remembered though, is that it takes staff time to change a system - time that presently doesn't exist. Therefore, if S.A.P. is to be simplified and reformed, additional staff will be required to begin the process. Furthermore experimentation with different mixes of professional and non-professional staff should be allowed to find the most efficient and effective balance.

Staff training has been sadly neglected for several years. Many briefs have reflected upon this fact and upon its negative effects on the program. Any move to reform the welfare program will necessitate extensive staff training and re-orientation. Provision for this training needs to be a priority in the reform package.

11. Mandate and Objectives of the Saskatchewan Assistance Plan

A common criticism about the Saskatchewan Assistance Plan is the ambiguity surrounding its mandate and objectives. The brief from the Faculty of Social Work at the University of Regina summed up the problem:

> "The mandate for any publicly provided service is a crucial significance for a number of reasons. It establishes the legitimacy and main policy directions of the program, creates the legislative provisions and framework for the regulations and, most importantly of all, expresses the spirit of the legislation, that is, the guiding principles and social purposes. In our view, the mandate for the Saskatchewan Assistance Plan is at best unclear and at worst hidden from public view".

There is no doubt that the S.A.P. mandate is ambiguous and its objectives largely unstated. This dilemma has been compounded from the inception of the program as S.A.P. has been used as a vehicle for addressing an ever larger range of social difficulties to an ever growing number of different client groups. Exaggerating the uncertainty about program direction has been the effect of various cost restraint measures applied to the program over the past decade without any underlying program principles governing the re-direction of monitary resources. The further fact that day-to-day policy problems have been addressed by bandaging new policies over old without any inherent consistency has contributed to an embarrassment and defensiveness about the program and its governing policies resulting in a reluctance to make publicly available the Plan's policy manual.

From time to time attempts have been made to articulate a philosopny and a clear mandate for the program. For example Dorothy Zarski went to some length to correct this difficulty. Requests through briefs were made to the S.A.P. Review to recommend a new mandate for the program.

Furthermore many recommendations in this report dealing with employment, education and the unemployed but employable S.A.P. client, may not properly fall into the mandate of the social assistance program.

It is recognized that this is an important matter to resolve for the program, but it can only be achieved after some new policy choices are made for the program by the government. When the policy choices are taken, it is recommended that the Department establish a working group to propose to the government an explicit mandate for this program and suggestions for any consequential amendments to the legislation.

Further, the policies and regulations of the Assistance Plan should be widely known and clearly understood. This can only be achieved if the policies are made public - preferrably published in a pamphlet. It is recommended that this should be accomplished after the regulations and policies are amended to reflect the reform of the Assistance Plan which is contemplated in this Review.

FRAUD, ABUSE, ERROR, OVER-PAYMENTS AND LATE PAYMENT OF ACCOUNTS BY CLIENTS

The briefs submitted to the S.A.P. Review suggest that the public believes there is a significant amount of abuse by clients in the social assistance system. Discussion of this issue and suggestions to correct abuses may cause some to allege that all clients will be persecuted. This is unequivocably not the intention. Insofar as abuse does exist in the program and the procedures to identify and stop this condition are inadequate, then all clients and the credibility of the program itself are unfairly tarnished. The intention therefore is to place "fraud, abuse, error and over-payments" in proper perspective, and suggest improved ways of dealing with this problem as it pertains to the few negligent clients.

A little evidence was found to support the contention of abuse and fraud, but the largest concern has to do with over-payments to clients which are generated by clients' non-reporting or late reporting of additional income, or the late accommodation of this new information in the S.A.P. cheque production process.

The evidence and suspicion about S.A.P. abuse and fraud must be considered in the context of society generally. No evidence or studies could be found to prove that poor people are less honest than the average member in society; in fact there is probably less money lost by abuse and error in the welfare system than is lost in society generally by "average" people performing services in cash to avoid taxation, bartering goods and services, understating income taxes and otherwise moving from visible taxable economies into invisible, non-taxable arrangements. There are reported estimates that these "normal" tax avoidance schemes are siphoning between $12 - $15 billion out of the present economy. Even chain stores report that pilfering by employees now ranges from 3 - 5 percent of the profits of the stores.

Nevertheless there are some accountability problems in S.A.P. which can and should be addressed; but they are not disproportionately high for this public program and they are not out of control.

What has been found in the Assistance Plan is that the number of alleged fraud cases has increased from 45 cases in 1980-81 to 105 cases in 1982-83, an increase of 133 percent. Fraud convictions have increased from 11 in 1980-81 to 27 in 1982-83, a 145 percent increase. Note though, that fraud and alleged fraud represents only one-third of one percent of the S.A.P. caseload, and it may well be that the absolute rate of fraud has not increased in the past two years, but the Department is pursuing suspected cases more diligently.

On the other hand there is much evidence that there is an unacceptably high percentage of over-payments to clients which are difficult to collect. (Evidence is presented later in this script). And finally there is increasing suspicion and some evidence that the currently high caseloads borne by workers is reducing their ability to verify client declarations and in some regions of the province this is leading to higher error rates and some degree of abuse of the system by the clients.

There seems to be four main sources of abuse or error:

1. Unreported income;
2. Lost or stolen cheques;
3. Incorrect information on client declarations;
4. Errors generated by the manual payment system and the time lag in the system's up-dating itself with new information.

Unreported Income

Briefs to the S.A.P. Review and discussions with client groups, corroborated that a sizeable number of clients receive small amounts of income which they do not report to the S.A.P. program. It was also stated many clients live in "fear" that this income will be discovered and criminal charges will be brought against them. The kind of small income used as examples were earnings from baby sitting, cash value of produced or traded goods like garden products, furniture, etc., income from the provision of domestic help, income from working teenage dependents.

While it would be difficult to trace, prove or measure the amount of this unreported income because the money is obtained mainly in informal, non-recorded ways, there is probably a misunderstanding amongst clients about their eligibility for income exemptions. If these earnings in the course of a month are relatively small, they would be exempt in the S.A.P. program up to 25 percent of the established family need. Clearly the S.A.P. workers will have to make a greater effort to communicate to clients the income exemption rules of the program, thereby reducing any unnecessary client anxiety.

At the present time there is a particularly acute problem between S.A.P. and the federal Unemployment Insurance program. Unemployment insurance has such a backlog of clients and payments to process that a large number of people have had to resort to S.A.P. until their U.I. applications are processed and paid. There is no assurance from U.I. when an initial payment will be paid. Consequently a S.A.P. cheque may be issued on the assumption that a U.I. cheque will not be issued in that month and discover later that it has - resulting in an over-payment against the S.A.P. program. One must conclude that a fair amount of income is unreported or delayed in its reporting and assimilation into the system because of the substantial increase is known S.A.P. over-payments.

Over-Payments and Processing Errors

Until April, 1983, auditing of S.A.P. claims was handled through a two pronged approach:

a) The majority of verification was undertaken in the region by workers who had an obligation to check out the declarations and claims made by their clients. Where errors were found, corrections were made before a payment was initiated.

b) Centrally there is a Verification Unit which undertakes audits or verifications on a sampling basis across the province. This type of auditing should be seen more as a quality control measure on verifications which are done regionally. There is no intensive investigation capacity within the Department either centrally or regionally.

The Verification Unit of the Department has recently completed a report on its random sample verification of the program for 1982. It has reported that the dollar error percentage has increased from 6.4 percent in 1981 to 8.4 percent in 1982. While this is a random sample of only 418 cases, if the results were applied across the entire caseload for that year, and if the random sample is a true reflection of the entire client population, it is possible that $12.6M paid out has errors associated with it. Half of the errors are related to errors by clients, mostly in reporting their income, and 54 percent are departmental errors.

Known (as opposed to estimated) over-payments by the S.A.P. plan have generally been growing annually at least since 1974 as have recoveries of these over-payments. In 1982-83 with a total estimated expenditure of S.A.P. of about $154M, $3.9M was expended in known over-payments (2.5 percent of the total S.A.P. payments). Recoveries of these over-payments did increase to $1.5M leaving an outstanding over-payment of $2.4M or 1.5 percent of the total S.A.P. over-payments.

These known over-payments represent 17.5 percent of the total S.A.P. cases in May, 1983 (5,201 cases), up 1.317 cases from a year earlier. The average annual dollar value of the over-payment per case is also increasing, from $526 in May, 1982 to $557 in May, 1983 (up 6 percent in a year).

Of continuing concern to the Department and to the Provincial Auditor is the difficulty in recovering over-payments. Currently this stands at $9.251M (an accumulated amount of unrecovered over-payments since 1974). As will be noted later in the script, the Department has limited ways of recovering over-payments made to clients.

Often it has been found that the information to produce a correct cheque is lodged in the S.A.P. system somewhere; but the time lag and difficulty of inserting new information into the manual system and having this promptly absorbed into the cheque production process suggests that over-payments will continue to be a S.A.P. problem until major corrective measures are initiated on the system itself. In the study undertaken by the Bureau of Management Improvement of the Saskatchewan government, dated December 13, 1982, it concluded that 54 percent of the errors leading to over-payments were generated by the system itself. A large percentage of these errors could have been identified and stopped if the information processing machinery was automated and if staff workloads were defined in such a way in the regions that adequate time could be given to verification of client declarations.

In summary, known over-payments in 1982-83 were $3.9M with the possibility that payments as high as $12.6M could have errors associated with it. forty-six percent of the errors occur mainly because of unreported incomes by clients, and the vast majority of the remainder of the errors are related to an out-dated processing system and cheque paying capacity and to deficiencies in assessing needs and living circumstances of the client at the time applications were made and on a continuing basis thereafter.

Lost or Stolen Cheques

Lost or stolen cheques have been increasing over the past three years from 480 cheques in 1981 to 577 cheques in 1982 and 868 cheques in 1983. In fact a lost or stolen cheque is not initially a critical factor. The cheques to be concerned about are those which have been lost or stolen and have been cashed improperly. This latter type of lost or stolen cheque is much less in volume because it was 271 in 1983, 161 in 1982 and 144 in 1981. As a percentage of the total cheques issued by the S.A.P. program, the stolen and improperly cashed cheque only represents .08 percent of all cheques issued by the program - less than one-tenth of one percent.

In part the difficulty surrounding a lost or stolen cheque arises because cheques are mailed directly to clients rather than to banks. The addresses of some clients change quite regularly and the Department may not know the current address. While the number of lost or stolen cheques is not a high percentage of the total number of cheques issued by the S.A.P. program, the time involved in replacing a lost cheque, stopping payment on an original cheque, obtaining affidavits from clients, issuing replacement money through Regional Service Accounts, and then following up with banks and investigators in an attempt to track down the responsible criminal - is time consuming and expensive.

Some workers worry about the relative ease with which a client can claim that a cheque, or a sum of money, has been lost, and then can immediately have a sizeable portion of the original amount replaced by the Department. Unfortunately if the money were not replaced quickly, rents could not be paid and very likely landlords and clients would create even more pressure on the Department.

One should also be concerned about the appearance of a long lag time in following up lost or stolen cheques. It is not uncommon that vendors and banks who have cashed stolen cheques may have their accounts debited two, three or even six months after the original cheque was cashed. Regardless of the intensity of the investigation going on, the impression left in the business community is one of uninterested welfare administration.

Incorrect Information on Client Declarations

By design or by error, incorrect information, or insufficient information can be given to the program by clients. This type of problem is ever present and can be addressed when a client knows exactly what information is required, when a worker has time to clarify and points of uncertainty, when verification staff can double check the declarations and follow-up on dubious claims.

Corrective Measures

There are a number of steps which can be taken to identify, reduce or eliminate the abuse, error and fraud in the S.A.P. system.

a) Automation

The single most important way to reduce over-payments is to automate the client payment system along the lines suggested by the report of the Bureau of Management Improvement. Doing this will mean that a cheque is printed for a client which takes account of the most up-to-date information which is available in the system affecting the amount of the client payment, his eligibility, address and so on. Implementing this system should be able to reduce over-payments by up to 54 percent. In 1982-83 dollars this would have meant a reduction in known over-payments of $2.1M, and reduction of potential (random sample estimate) over-payments of $6.8M.

b) Match S.A.P. Payments Record Against Other Third Party Payment Records

To reduce accidental over-payments and client unreported earnings, consideration could be given to matching the S.A.P. payment tape with the payment tape of other governmental payment agencies - most obviously Unemployment Insurance. Currently this is difficult for S.A.P. without an automated system, but where it has been accepted elsewhere in Canada, even on a manual basis, the cost savings are reported to well exceed the program costs.

In time this matching could be extended to other payment agencies like Workers' Compensation, etc. This suggestion may be seen as an exceptionally rigorous approach, but it may be needed to stop millions of dollars in over-payments.

c) Direct to Bank Payments

To reduce lost, stolen and mis-directed cheques, to improve services to handicapped people and shut-ins and to assure that clients receive their money promptly on the first of the month, when the automated system is constructed, it is recommended that the Department adopt a system of direct payments to bank accounts rather than mailing cheques to clients. This system has been adopted in Peel County in Ontario very successfully, and many American jurisdictions are now beginning to take steps to make direct payment to bank accounts their principal method for transferring money to welfare clients. While this suggestion will not be universally accepted by clients, few arguments were heard by the S.A.P. Review where hardship would occur if the direct-to-bank payments were made.

In implementing the direct-to-bank payments, assistance may have to be given some clients to establish a bank account and learn how to use it (this could be done in group sessions), care will have to be taken that banks are in fact located in or near communities where clients in rural or isolated areas reside. Most of the Northern Administration area will probably have to continue mailing cheques to clients for lack of banking facilities in that part of the province. Phasing-in of the system would probably be wise.

Moving to the use of bank accounts may have a side benefit of requiring more clients to seek help in money management. Certainly this would be so if the recommendation for a global "basic personal and household allowance" is also adopted.

d) Replacement of Lost Cheques or Money

Regulation 20 A.(2) states that "nothing in subsection (1) shall be interpreted to provide expressely or by implication that a cheque shall or may be delivered to the recipient to replace a cheque which was made payable to him or some person on his behalf".

It is quite proper that where a lost or stolen cheque has been returned to the Department, the value of that cheque should be replaced for the client. However, until it is returned, or in the event that it is not returned or is cashed improperly, the Department might consider treating this loss similar to the provision of "emergency funds" where the emergency fund is deducted from future entitlements until the status of the cheque is clarified. The Department could also consider granting grocery requisitions until the status of the lost or stolen cheque is determined, and pay sent directly to the landlord.

If the Department and clients adopted the system of direct payment of cheques to bank accounts with a further payment by clients of rent and utilities by cheque, the problem for clients of losing money or cheques would be minimized.

e) Creation of Specialized S.A.P. Investigation Unit
The Department at this time really does not have an investigation unit. It has verification capacity in regions and it has another group of people who are called verifiers who in fact are more like quality control consultants undertaking random sample verifications from a central office. In addition after April 1, 1983, some additional auditors were placed in some regional offices to intensify a pre-audit function of client claims and to identify mistakes or errors before payments are made to clients. It has been reported that this pre-auditing function in the regions has helped considerably.

But none of these verifiers or auditors are trained in the techniques of pursuing fraud, nor do they have the time to investigate in depth those cases which seem to have a potential for abuse. Furthermore, the Department is not well equipped through the design of its application forms, its legal advice or its other administrative services and techniques to prepare its suspected fraud cases in a form which can be readily handled by the police and accepted by the Courts.

Some improvements in this arrangement can be made.

i) Specialized investigators need to be hired by the Department with training and experience in the investigation and pursuit of fraud. These investigators should be located regionally although there may need to be one investigator located centrally to provide consultation on fraud cases with the Department of Justice and the police, to give legal advice to the investigators and to develop initially some of the forms and techniques which should become basic to the performance of this function.

ii) Rather than investigating cases on a sampling basis, the investigator should receive referrals from workers, verification and pre-audit staff in the region and centrally, to investigate in detail suspicious cases or cases which can be defined as potentially high risk for fraud or abuse.

iii) A committee of the Department needs to meet with representatives of City Police Departments, the Prosecutor's Office, the Department of Justice and the Investigation Unit of the Department, to determine what information and documentation needs to be collected in what format in order to assure that evidence submitted by the Department in a fraud trial will in fact stand up in Court.

iv) The pursuit of suspected fraud and abuse cases through the system to the point of trial should be the responsibility of the investigators not the social workers.

v) The preparation of documents needed for police or Court action should also be the responsibility of the investigators although they would co-operate with other staff of the regional office.

The goal of the investigative unit is to pursue intensively, with the best skilled and experienced staff available, the small percentage of clients who are in fact abusing or defrauding the S.A.P. program.

When these individuals are identified and brought to justice, then the public can be assured that the vast majority of S.A.P. clients are not abusing the system and are receiving only those payments to which they are entitled.

It seems important for the Department to retain the capacity to monitor, on a continuing basis, potential over-payments, fraud and errors on a random sample basis. This random sample approach is the best measure of efficiency which exists in the program. Its findings should be used to set the initial goals for the investigation program and evaluate the program's success retrospectively.

f) Home Visits

A home visit is one of the most effective methods of identifying the high risk for abuse clients and also for getting a sense of the real needs of clients. Presently home visits are rarely undertaken because workers have insufficient time. Hopefully if other recommendations in the report are adopted, the caseload per worker can decrease to the point where more home visiting is possible.

When caseloads permit, it would be desirable that each new S.A.P. recipient be visited in his home within two weeks to a month after he applies for assistance - sooner if possible. This home visit would also eliminate those situations, for example, where cheques are being mailed to non-existent houses, abandoned buildings, or multiple cheques are sent to the same address.

On the positive side of the home visit, clients are more usually at ease in being interviewed in their own home. Where a close and continuing contact can be established between a client and his worker, in part encouraged by a home visit, the worker can provide a stable and continuing source of support to the client.

It has also been noted in rural Saskatchewan that where contact between workers and clients is closer, the suspicion of abuse or fraud of S.A.P. is considered less than in the cities.

g) Confidentiality Clause in the S.A.P. Act

The present clause in The Saskatchewan Assistance Act concerning confidentiality of information about clients is very constraining on the ability of the departmental workers to fully investigate suspected abuse or fraud without the explicit consent of the client. Departmental staff are expected to verify declarations made by clients applying for assistance. Within the general laws of the country and province, there should be no impediments placed in the way of departmental staff carrying out their duty. In many other jurisdictions in Canada and the United States a waiver is obtained by the agency when a person applies for assistance enabling departmental staff to check out any claim or information made by the client in his application or any subsequent claim or information supplied by the client. In looking at the possibility of a general client waiver to verify eligibility and client declarations, the waiver should consider including authority for the Department to check the client's status with other agencies like the Unemployment Insurance Commission, Workers' Compensation, Saskatchewan Government Insurance, Revenue Canada, Canada Pension Plan, Indian Affairs as well as the banks and utility companies within the province.

In drawing up such a general waiver, advice ought to be sought from the Department of Justice to assure that the waiver does not violate other provincial or federal laws, or become unnecessarily broad. The Saskatchewan Human Rights Commission might also be consulted.

h) Re-Payment of Over-Payments

As has been noted, over-payments occur either by the error of the Department, the client or the system itself. The amount of over-payments are sizeable. They frequently remain on the books of the Department for years and are regularly remarked upon by the Provincial Auditor. The Department has some inactive cases over 10 years old.

The Department has limited authority to deal with these over-payments. It does not have the authority to write off over-payments for people who are dead or who have left the province. The Department does not have the authority to reclaim over-payments from clients when they have left the program even though they remain in Saskatchewan. Nor does the Department have the authority, except in respect of the F.I.P. program, to reclaim over-payments on the S.A.P. program from other government programs making direct payments to these individuals (such as Home Owner grants, Renter's Rebate or payments for foster care, etc.). Once an over-payment occurs, and while the client remains on the S.A.P. program, a small amount of money can be deducted each month until the over-payment is made up. This may take months or years to reclaim. If the client leaves the program, the Department can only take note that an over-payment has been made and if the client at a future date re-enters the program, begin to reclaim the over-payment at that time. The Department needs to establish a provincially consistent over-payment policy and procedures for reclaimation.

This limitation on the Department is unsatisfactory but the basis of the dilemma is contained in The Saskatchewan Assistance Act itself. To remedy the problem requires an amendment to the law. At minimum it is recommended that the law permit the Department to reclaim over-payments from any other departmental program offering direct financial payments to the client in arrears. If it is legally possible, the Department should be entitled to collect over-payments from other Government of Saskatchewan programs making direct payments to the client in arrears. After consultation with the Comptroller's Office, a policy for writing off bad debts should be developed. Consideration should be given to writing off inactive cases of bad debts over three years old.

i) Income and Gifts

The Review has reported client uncertainty about what is income, other financial support and gifts, and how much needs to be reported to the Department. A recommendation to clarify the "gift" exemption policy and the definition and treatment of "income" and "assets", has been made elsewhere in this report. Suggestions have also been made to identify a greater proportion of unreported income.

But perhaps the most difficult area to sort out is the situation where a male lives full-time or part-time in the home of a female client and may or may not make any financial contribution to the household. Any financial contribution made may be sporadic and of variable amount, interpreted by some more like a gift. Formerly this kind of case would be dealt with under the departmental policies concerning "common-law marriages". This policy no longer fits a good many living arrangements which have been adopted by our society. The Provincial Appeal Board has attempted to deal with this problem by talking of an "economic unit". They have attempted not to define financial responsibilities of people living in the same home in terms of legal status of the living arrangement, but have attempted to define responsibilities in more practical financial terms. The approach of the Provincial Appeal Board is imperfect but it is an attempt to deal with the reality of some living arrangements.

The S.A.P. Review does not have an easy solution for these problems but some thoughts are offered for consideration when the Department reviews this policy.

i) If the recommendation to mandatorily enforce maintenance orders were adopted, there would be less incentive for a male parent to attempt to escape his financial responsibility for his children at least by adopting unusual living arrangements with his female partner.

ii) If more home visits were made, and if closer contact between workers and clients could evolve, a better assessment could be made by workers of those single parent families where regular financial support is being obtained from a third party.

iii) Whatever policy is eventually developed by the Department, it should be printed in an information pamphlet and given to all S.A.P. clients so that there can be no doubt about their responsibility for reporting additional income, and the consequences of not doing so.

j) Interpretation and Consistency of Policies and Regulations

Another source of error which can be remedied derives from the realization that different interpretations are put on policies and regulations of the S.A.P. program in different regions of the province. Saskatoon for instance uses last month's income in determining this month's eligibility for S.A.P. While in Regina, it uses this month's income to determine eligibility. There are other illustrations of this kind of difference in interpretation which no doubt produces in a "verification report" the appearance of an error, when in fact this may not be an error in the mind of the worker who carried out the needs test.

Consistency in the interpretation of the regulations and policy and their application is absolutely mandatory for the program and will have to be addressed by its managers. Correcting this problem would be facilitated by holding regular inter-regional meetings of senior S.A.P. staff, an event which has only taken place twice in about five years.

k) Late and Non-Payment by Clients of Household Accounts

The Review heard complaints from a number of creditors about the late or non-payment of accounts by some S.A.P. clients. The accounts mentioned include:

- municipal taxes
- sewer and water accounts
- energy accounts to the Saskatchewan Power Corporation
- telephone bills
- rents to landlords
- back debts
- general creditors

Without linking the names of all S.A.P. clients with the files of all possible creditors, it was not possible to ascertain in quantitative terms the extent of this late and delinquent payment problem. Discussions with some of the creditors and with S.A.P. officials allow one to believe that the number of delinquent payments is small but dealing with this small number is excessive in time and cost. Regrettably the irresponsibility of these few clients is damaging the credibility of the entire client body.

The Review has heard a number of suggestions aimed at ensuring that household accounts are paid on a timely basis, and other suggestions to ensure that funds granted by the Department for a specific purpose are in fact used for that earmarked purpose. The suggestions have included the direct payment on behalf of the client by the Department of all utility bills, rents, and taxes; the use of earmarked "chits" like food stamps, food and clothing requisitions, etc,; and the payment of certain departmental allowances to municipal councils in trust where a co-signer with the client would be required to release the funds for the intended purpose. All of these measures are administratively expensive to adopt and may seem as over-kill to deal with the problem which apparently is not pervasive.

Some remedies for this problem already exist and other recommendations are offered for consideration:

i) The existing policy of the Department with respect to debts incurred by clients before enrolling on the S.A.P. program is reasonable and should be continued. The present regulations state that back bills for shelter and utilities may be paid only if the health and safety of the recipient or his family are threatened and if his failure to pay them previously was because of lack of resources. The amount that might be paid of back bills is only the minimum amount to prevent the eviction of the family or to ensure continuance of the service.

ii) The current policy of appointing trustees for those clients who cannot manage their money should be continued but the Department should be encouraged to make greater use of the trustee system for clients who are routinely delinquent in the payment of their bills.

iii) More money management courses ought to be available throughout Saskatchewan and social workers ought to have the power to compel a person to attend such a program should the financial circumstances and abilities of the client warrant it.

iv) If the proposal for direct payments to bank accounts is adopted, by the time the system is implemented, most utility bills, municipal taxes and charges and a few other types of householf accounts, could be placed on a monthly averaging system with the monthly payments being transferred automatically from the bank to the corporation or municipality involved.

While this system should be tested on a voluntary basis, if it is successful, it should become the commonly encouraged method of managing household accounts. After learning how to use this system, for many clients it could become an efficient and effective device which also would receive support from creditors and client trustees.

v) If all other policies and systems fail to help creditors obtain overdue payments from S.A.P. clients for services which were rendered during the period when the client was drawing social assistance, then the Department ought to have full authority and the system to make payments directly to vendors on behalf of clients. An appropriate policy to achieve this should be developed by the Department. Further-

> more when the new automated system is developed, the system should be constructed so the vendor payments can be made automatically as a part of the S.A.P. payroll run of the Department.

Another aspect of late payments of accounts has to do with the cash flow in the household of a welfare client. Over the course of a month a client may receive income from several sources such as the S.A.P. program itself, a training allowance from C.E.I.C., Family Allowance from the federal government, perhaps O.A.S., G.I.S., and S.I.P. and possibly a small amount of earned income, as well as alimony or child maintenance payments in some instances. Each of these allowances is likely to arrive at different times of the month, and each in itself is a small amount of income. Saving and aggregating these small bits and pieces of income until an amount is gathered large enough to pay a single account (such as rent) can pose a serious difficulty and frustration for the client.

Where the direct S.A.P. payment to bank accounts is made, this should assure timely receipt of this allowance. It does not deal though with the staggering of the other payments throughout a month. Consideration might be given by S.A.P. to the payment of a one-time monthly advance to those clients who have adopted a system of automatic payment of bills through bank accounts. The advance should be seen as a debt due to the Department and repaid at the time the last S.A.P. payment is made to the client.

These suggestions will not eliminate all of the problems of late payment and non-payment of household accounts by clients. They do, however, offer the potential to eliminate some of the concerns.

1) Penalties

A number of briefs have pointed out that there are few penalties in the S.A.P. program for abusing the system. For the most part this is largely true. Where proven fraud occurs, the Court can order fines or jail. Where over-payments occur, the rate of re-payment demanded is usually quite small. In view that one-half of over-payments are caused by departmental error and not by client error, this seems reasonable. To move further and apply financial penalties to clients which seriously erodes their ability to survive is unwarranted and also contravenes the intention of the Canada Assistance Act and the Saskatchewan Assistance Act.

LEVEL OF BENEFIT RATES

The contention in many briefs to the S.A.P. Review is that Assistance Plan rates are inadequate and should be raised immediately. Evidence to support this contention is offered on one hand by comparing aggregated S.A.P. benefit rates to a number of "relative" and "absolute" poverty measurement guidelines, and on the other hand comparing specific rates (like food or clothing) to consumer price indexes or to Agriculture Canada's approach to pricing a basic nutritional food basket for various size families. (Some of these measures and comparisons are contained in Appendix I).

Some times inter-regional or inter-provincial comparisons are made about welfare rates to show that in aggregate, one region or another pays more or less.

Analysis of the effects on welfare families of a certain benefit level is not so simple as comparing with national income data. In the first instance, welfare benefits are non-taxable. Poverty line data published by Statistics Canada, the Canadian Council on Social Development, or the Senate Committee all deal with gross income statistics (that is, income before taxes). Furthermore welfare families receive a number of benefits "in kind" which non welfare families have to pay in cash. In Saskatchewan examples of in kind services can be found in the supplementary health benefits which are provided S.A.P. clients which are not included in the universal services of the province (like adult dental services, all prosthetic and optical services, drug dispensing fee charges, home care and ambulance services etc.). Other in kind services in Saskatchewan include coverage of 100 percent of the cost of day care where low income families have to pay at least a portion of the day care cost even though subsidies are available. In Saskatchewan, the use of the special benefits provisions of the S.A.P. program to supplement special needs or to top-up other urgent items not adequately addressed in the pre-added budget is an added financial benefit not calculated in the basic S.A.P. rates. The generous cash and liquid asset exemptions in Saskatchewan, as well as numerous other income exemptions like property related grants and rebates, child tax credit, small gifts, etc., contribute millions of dollars to welfare clients which are not reflected in a statement of the basic benefit rates of the province.

And further, the payment in Saskatchewan of actual rental and utility costs relieve Saskatchewan clients of a significant cost burden which in some other provinces is borne by welfare clients as a part of the basic rate structure.

Because of all these potential differences of treating cost items in the various Canadian provinces, no fully equatable measures of the relative levels of welfare assistance amongst the provinces is available or published.

By attempting to price out certain individual items in the Saskatchewan benefit schedule (like food, clothing, personal, household, transportation, etc.), S.A.P. has created a problem for itself insofar as it can rarely defend the logic of these individual rates to critics. And in its defence, it has not priced out the value of all of the other exemptions and in kind benefits to balance the appraisal of total resources made available to S.A.P. clients in the province.

A few examples of specific rate difficulties are offered to illustrate the kind of predicament which materializes when setting S.A.P. benefit levels on specific cost items:

a) The clothing allowance is $23 per month per person. A study conducted by the College of Home Economics, University of Saskatchewan in May 1980, found that the average monthly replacement cost for clothing ranged from $16.25 to $44.13 for children in infancy and adolescence, and ranged from $18.47 to $39.40 for adults. Given climatic conditions in Saskatchewan and current costs, it is obvious that the clothing allowance is not adequate.

b) The board and room allowance is set at a $150 per month. The inadequacy of this rate has been a frequent item of complaint and has been remarked upon by rural and urban advisory boards and by the Social Services Appeal Board.

   It is difficult to conceive how many board and room arrangements can be sustained at this price.

c) A household allowance of $60 per month may be adequate for a single person or a couple, but it is hard to believe that it will provide for the normal expenses of a family of four or five people.

d) Examining food costs against Agriculture Canada's pricing of a basic nutritional food basket by age group, illustrates that even in May, 1982, Saskatchewan rates fell $23.71 below the guidelines for 13 - 15 year old boys and $36.83 below the standard for 16 - 18 year old boys.

e) Personal care increases totalling 45.4 percent and recreation costs increases of 37.8 percent outlined in the Consumer Price Index from May, 1978 to May, 1982 are in stark contrast to a personal allowance of $15 per person per month that has not changed in the Saskatchewan regulations since February of 1977. S.A.P. does not provide any allowance for recreation or entertainment even for children.

f) Restaurant food allowances have not been increased for several years. The current rates provide for $9.00 a day broken down as:

. breakfast - $2.00
. dinner - $3.00
. supper - $4.00

By way of comparison meal allowances within the province for public officials are $19.00 per day or for partial days:

- breakfast - $4.35
- dinner - $6.05
- supper - $8.10

These Public Service Commission rates have not been adjusted since July, 1982.

The recommendations in this report to fundamentally restructure the approach to the S.A.P. benefit schedule, to standardize at current actual costs as many routine personal and household items as possible, to substantially restructure asset and income exemptions, and provide considerable more generosity in the earned income exemption, along with providing more generous recognition and exemptions of education, work related and volunteer expenses - all taken together will have a major effect on the real disposable income of individuals and families on social assistance. Exactly what these effects will be are presently unknown until decisions are made by the government about which recommendations it will accept and when. Only following such decision-making can a detailed appraisal of the effects of these changes be made as it relates to the disposable income of individual S.A.P. families. The Reviewer has concluded that it would be inappropriate to make recommendations for major changes in the present S.A.P. benefit schedule until government has an opportunity to consider the broader issues and policies which will have an effect on the disposable income of S.A.P. clients.

If the government finds that it cannot make decisions about the broader issues in the relatively near future, then four benefit level adjustments should be considered as a short-term move to alleviate immediate distress:

a) The board and room allowance of $150 per month should be increased to a minimum of $200 per month and perhaps slightly higher after a detailed survey of the going rates for board and room across the province is undertaken.

b) The clothing allowance for children needs upwards adjustment from $23 per month to a minimum of $30 per month, $35 if at all possible.

c) The allowance for food for children should be escalated at least by the past year's inflation rate of a Nutritional Food Basket.

d) Restaurant food allowances need upward adjustment to a level where three meals a day can in fact be purchased.

ORGANIZATIONAL ISSUES AND RELATIONSHIPS

While the public has an interest in how a government department organizes to deliver services, organizational choices and decisions have traditionally been seen by government as their sole prerogative. Organizational matters arising from this S.A.P. Review for the most part will not be included in this report. Simply a few comments will be offered on organizational objectives and relationships which should be considered in the decision-making process about a suitable organizational structure for S.A.P.

Recommended Organizational Objectives

a) Assemble in one Division the functions, programs and people needed to deliver and manage income support programs, particularly S.A.P.

b) Balance the need for centralization to capture benefits of technology and standardization, with the need to decentralize client services to gain the benefits of sensitive local decisions and accessibility for clients.

c) Strive to create greater efficiency and effectiveness in the utilization and deployment of available staff who are delivering social assistance on one hand, and personal and family social services on the other.

d) Strive to retain or enhance a multi-service centre approach to the provision of a range of social services at the local level so that clients are not shuttled from one location to another.

e) Strive to limit the number of points of potential conflict between clients and workers so that the negative aspects of financial control do not constrain the positive aspects of counselling, personal assessment and referral.

f) Provide better co-ordination and referral vehicles between the S.A.P. program and other governmental and non-governmental services which are designed to rehabilitate and assist the S.A.P. client to regain independence.

g) Provide a more productive and profiled role for public involvement in S.A.P.

h) Provide greater job satisfaction for social service staff in order to contribute to staff stability.

A few words of explanation are needed about a much debated social services organizational concept known as "separation of services". Elsewhere "separation" has involved separating administration of the income maintenance programs such as social assistance from other personal and family social services like child welfare, family services, day care services, personal services for the elderly, handicapped and retarded, alcohol and drug rehabilitation, mental health services, counselling, information and referral services.

Separation has two components:

a) The first involves assigning responsibility for personal social services to one group of workers, while giving responsibility for financial assistance to another group of workers.

b) The other component concerns the criteria and process for instigating and monitoring financial services for clients.

In a unified service arrangement, professional workers interview clients for the purpose of determining financial need and also for rehabilitation and other personal social services. Judgments on these two sets of needs shape the final decision on the social services allowance granted. As time and changing circumstances permit, the professional workers follow up with clients to ascertain information on changing financial status, rehabilitation progress and employment prospects. Under a separated service arrangement, the personal social service workers usually have no contract with clients unless help is specifically requested by the recipients. Financial staff on the other hand, are the first and principal point of contact for clients and their judgment and initial guidance to clients conditions the request by clients for help from the professional social workers. Further, depending on the form of the financial assistance program (i.e. means tested, income tested or needs tested), the contact between the potential recipient of financial aid with the financial worker may be close in the case of a needs test, or may be very distant in the case of a mail-in income test.

The trend towards separation of services culminated in 1973 in the United States when the Department of Health, Education and Welfare required by law each state to separate financial aid from social services. Difficulties with this separation caused the U.S. federal government to rescind the "separation" order in late 1976. Today about half of the States of the Union have returned to a more unified approach to the provision of financial and personal social services.

In Canada financial and personal social services were separated in Manitoba, Quebec, New Brunswick, Newfoundland and Alberta. P.E.I. was once separated and is now unified.

Historically, the motives behind the "separation of services" were to:

a) eliminate the confusion about the relationship of financial aid and social services;

b) assure freedom of choice to clients in seeking and using personal social services;

c) improve the administration through adequate planning, staffing and financing of each component;

d) utilize personnel more effectively;

e) make possible a determination of the cost effectiveness of both functions;

f) simplify the assessment of eligibility for financial services so that it could be performed by clerical personnel rather than social workers;

g) broaden the scope of much needed social services by freeing up the time of some staff to develop and provide in some areas these additional services.

Some proponents of separation have argued that, using this format, services can be provided under non-adversary and non-demeaning conditions. Certainly this would pertain to the provision of the personal social services although the adversarial approach for financial services would remain to some extent. Finally, other leaders hoped that separation might reduce the use and hence the cost of the personal social services because these services would be provided only to those clients in real need.

Several disadvantages of separation have surfaced:

a) The linkage between the financial services and referral to personal social services has broken down in many cases leaving clients to breach the obstacles of separated administrations, and isolated referral services.

b) The de-professionalization of income maintenance staff is blamed by some for high rates of error, fraud, and abuse as well as frequent income maintenance staff turn-over (e.g. the experience of the majority of U.S. States which have subsequently unified their services);

c) In a needs tested program such as Saskatchewan's, the final determination of the amount of financial aid takes into account financial aid for the purpose of rehabilitation objectives as determined between the case worker and the client. This advantage for the client would likely be lost if services were entirely separated because experience in other jurisdictions has shown that, over time, there is a break down in the relationship between the financial worker and the social service worker whose objectives for the client and the program are different;

d) In the separation of services model, there is a belief that clients who urgently need counselling and referral services in order that they can be rehabilitated to the point of becoming financially independent of the assistance program, are too often unwilling to request social services thereby enhancing the possibility that they will remain on financial aid for a longer period of time than is truly necessary;

e) Depending on the eligibility requirements and the format for the assistance program (means, income or needs tested), it is possible for clients to have very little if any direct contact with any worker (financial or personal social service), leading to all the problems of estrangement from the "helping" agency and personal isolation at a time of severe stress in their lives.

There is merit to the arguments both for and against separation of services. Insofar as Saskatchewan's approach is concerned, an attempt ought to be made to capture mainly the positive aspects of both "separation" and "unification". Therefore in Saskatchewan one could see the income support program embracing not only the financial services but all those other counselling, assessment, referral and employment services while also having strong co-ordinating and referral connections to education, training, self-help, recreational and other services, which all may contribute either to self supporting employment or a more confident and independent life-style for clients.

At the same time, within this unified and broad grouping of functions, a more precise assessment of clients' needs, better streaming of these clients, some worker specialization of intake, counselling and referral, and re-deployment of staff to match the limited or complex needs of clients, can achieve some of the efficiencies of a separated welfare service.

Regional Business Employment Council

Public input of the regional level is now sought through regional advisory boards and their sub-committees which are the regional appeal boards. Elsewhere in this report the conclusion is reached that Regional Advisory Boards are really not needed for the income support function although an appeal board at the regional level is required. Many briefs from the public to the S.A.P. Review have shown a keen interest in the S.A.P. program and in some cases a willingness by municipalities and other individuals to become involved in finding work opportunities for people who are now S.A.P. clients. In a further effort to strengthen the links between the S.A.P. program and employment, and to capture more public involvement in the area where it is most needed, it is worth considering the establishment in each region of a Regional Business Employment Council whose functions would include:

a) The establishment of a network of private business connections to encourage the private sector to employ under a variety of conditions (and with a number of incentives) clients of S.A.P. who are work ready;

b) To find and make arrangements to place able S.A.P. clients in volunteer community activities;

c) To encourage the development in the regions a number of new work projects for S.A.P. clients where products can be produced or services rendered by S.A.P. clients to help themselves and each other;

d) To stimulate appropriate E.S.P. and E.O.P. projects for the region and participate in the regular evaluation of these projects;

e) To assist regions in any other reasonable way to match S.A.P. clients with available jobs, or create new work opportunities for able bodied clients.

The more people involved in the search for job opportunities for clients, the greater the likelihood of success. The Regional Business Employment Council cannot be successful if its efforts are confined to a main regional centre. Therefore the Council should be authorized to establish branches in any municipality, city, town or village where interest can be found or developed to carry out the objectives of the Council.

The Council should consist of eight - ten people plus a Chairman with the membership heavily weighted in favour of the regional business community. Some representation from municipalities is desirable, but governmental membership (from any level of government) should not predominate, nor should membership from established institutions like community colleges.

Members to the Regional Business Employment Council should be selected at a regional level from among individuals who have the time, commitment and interest to perform actively for the Council. To begin the process of recruitment of members, the Minister of Social Services may need to name the first Chairman of each Council but thereafter the Council should probably find and name its own membership.

It would be desirable to place a maximum term on the members of the Council so that fresh blood continually appears. A suggestion is to limit members to two consecutive terms of two years each.

The work of members of the Council should be seen as a contribution to community life and therefore honoraria should not be paid, although out of pocket expenses should be reimbursed.

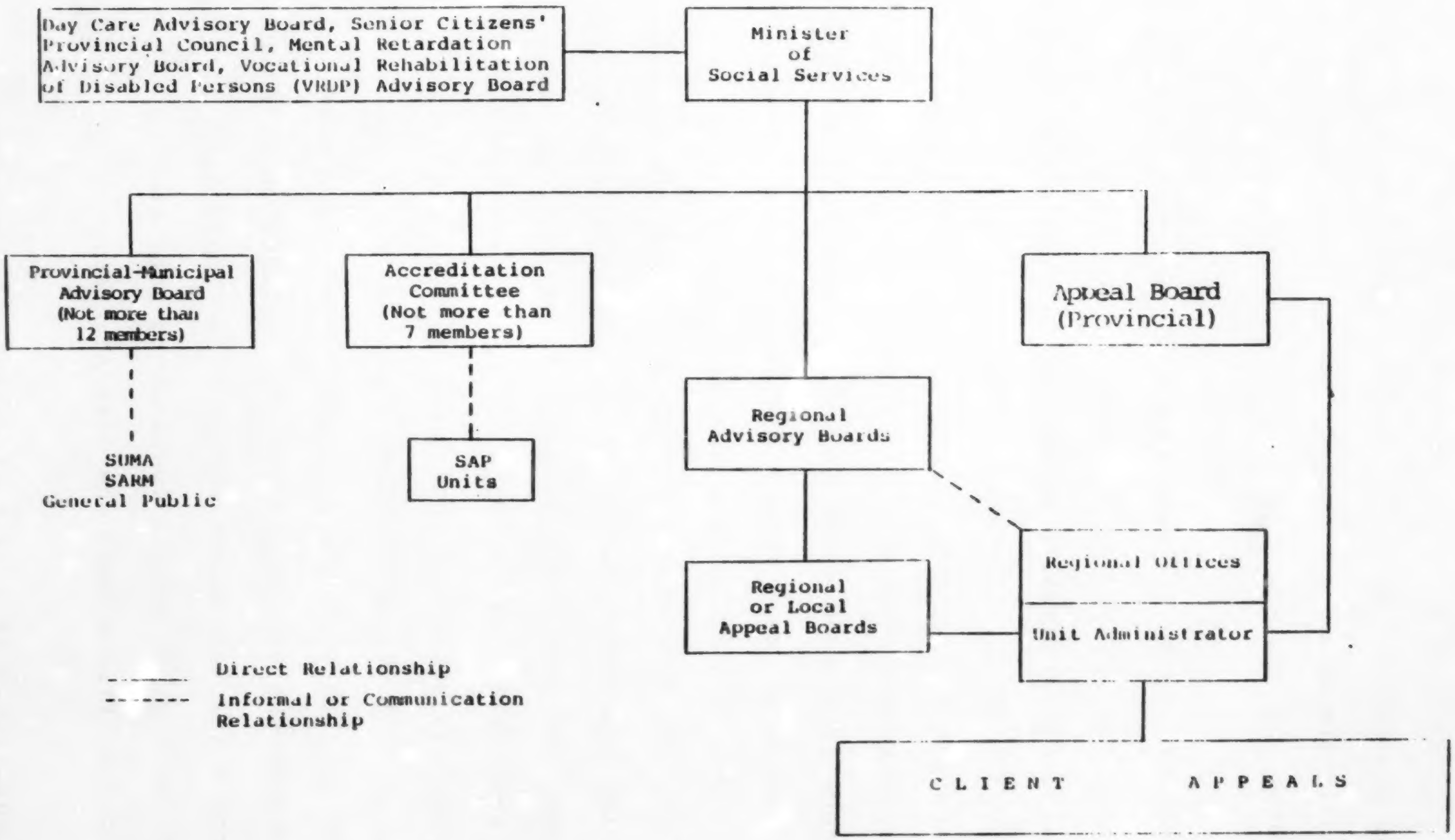
ADVISORY AND APPEAL BOARDS

Since 1966, a number of Advisory and Appeal Boards have been established to provide independent advice to the Minister of Social Services or to serve as appeal processes for disputed departmental decisions usually pertaining to benefits under S.A.P. or to family issues. (See chart following). Regardless of their historical performance, the Advisory and Appeal structure has a mixed performance rating at the present time. Parts of the structure function in name only. The Advisory and Appeal structure needs to be reformed. Some comments are offered on that part of the structure which relates to S.A.P.

1. Provincial Municipal Advisory Board

Authority for this Board is found in Section 19 of The Saskatchewan Assistance Act. It is a Board of not more than 12 members, which consist of representation from urban and rural municipal associations and such representatives as the Minister may from time to time appoint. The Board is supposed to meet not less than once a year in order to "review, assess, and make recommendations relative to the programs being carried out under tis Act, the Regulations and Act pursuant thereto and to any other matters related to such programs". It would appear that the Deputy Minister of Social Services has always been appointed to this Advisory Board and has chaired the meetings.

SOCIAL SERVICES
ADVISORY AND APPEAL BOARD NETWORK


Day Care Advisory Board, Senior Citizens' Provincial Council, Mental Retardation Advisory Board, Vocational Rehabilitation of Disabled Persons (VRDP) Advisory Board
Minister of Social Services
Provincial-Municipal Advisory Board (Not more than 12 members)
Accreditation Committee (Not more than 7 members)
Appeal Board (Provincial)
SUMA
SARM
General Public
SAP Units
Regional Advisory Boards
Regional or Local Appeal Boards
Regional Offices
Unit Administrator
CLIENT APPEALS
Direct Relationship
Informal or Communication Relationship

Of the current members, three were appointed in 1966, two were appointed in 1976, one was appointed in 1981. Currently there are a number of vacancies on this Board including the chairmanship.

Departmental files indicate that the Provincial Municipal Advisory Board played an extremely important part in reviewing Departmental programs and proposals during the first years of its existance. Until the early 1970's, the Departmental brought all major program proposals and regulatory amendments (including changes in S.A.P. allowance schedules) to the Board for approval at its annual meeting. By the late 1970's, the role of the Board had shrunk to being responsible annually for reviewing the regulatory formula upon which the municipal financial contributions for Social Services are based. The continued use of the formula was affirmed by the Board each year. At its March 27, 1980 meeting, some Board members suggested that municipal contributions should be discontinued because the Board no longer had a major influence on the program. This recommendation was made to the Minister of Social Services of that day (without a response forthcoming). The Board also determined that it should continue to meet even if municipal contributions were discontinued.

In the Spring of 1981, a Ministerial Task Force on Social Services Regional Advisory Boards was appointed to examine the present role and structure of social service advisory boards. The Task Force recommended that the Provincial-Municipal Advisory Board be disbanded and that a new advisory board be established which would consist of two representatives from each Regional Advisory Board and one representative each from the Saskatchewan Urban Municipalities Association and from the Saskatchewan Association of Rural Municipalities. The Task Force also recommended that the new Board have a self-administered budget that would provide for operating expenses, honoraria and the services of at least one part-time staff person. The Task Force Report and its recommendations were not acted upon by government because the plan of that day to decentralize the programs of the Regional Services Division was considered a first priority. When this was achieved then an attempt would have been made to realign advisory structures with the geographical areas of the new districts and regions.

While the Provincial-Municipal Advisory Board realizes that it is not currently playing any significant role in advising the Minister about social services, so long as financial contributions are made by the municipalities in the province to the social services program, one or two board members may feel that the Provincial-Municipal Advisory Board should remain in place.

One might note that when the financial contributions of municipalities are set by formula and there is no public support to increase the municipal contributions to the provincial program (only decrease the contributions), there is little need to convene a board annually to rubber stamp this formula. In other programs of government, money moves from provincial to municipal coffers and vice versa without the establishment of boards to oversee the transfer of funds.

RECOMMENDATION

In its present form, role and representation the Provincial-Municipal Advisory Board is not needed and should be disbanded. A replacement advisory board to the Minister can be considered (see later remarks in this text) which potentially can draw in municipal representation.

2. The Accreditation Committee

The Saskatchewan Assistance Act, Section 5, states that there "shall be an Accreditation Committee consisting of not more than seven persons, who may,... be appointed by the Minister...". The Act states that a municipality or group of municipalities desiring to administer assistance must apply to the Accreditation Committee to become an accredited unit. The Department of Social Services must review the status of an accredited unit not less than once every five years and report to the Accreditation Committee. The Committee after considering the report and any representation the unit wishes to make, either confirms or withdraws accreditation.

The Accreditation Committee did meet in 1978 and did confirm the accreditation of the Moose Jaw and Prince Albert City Social Services Units. The Committee will have to be reconvened in 1983 to undertake a new accreditation review of these two City Units.

The Act and Regulations are extremely explicit about what is expected in an accredited unit. Indeed the Regulations are so specific that they must overly bind the management of such units. There is also ambiguity in the law and its practice concerning the social services units directly managed and run by the Department of Social Services. The Saskatchewan Assistance Act defines "unit" to mean a "provincial or local unit consisting of one or more municipalities which as or have been designated by the Minister as a unit to administer assistance to persons in need residing within the unit". The Accreditation Committee deals with the review of the programs of "units" who apply to it for accreditation. It would appear that this section of the Act has been used to deal with the Moose Jaw and Prince Albert City Units. It has not been used to assess the performance of the units which are administered directly by the province which have been established under Section 7(2) of The Saskatchewan Assistance Act.

Periodically reviewing the performance of social assistance delivery units should be an obligatory function of management. There is just as much reason to appraise the provincial regional units as there is reason to review the two City Units.

When the criteria for accreditation are laid down in regulations and are not routinely reappraised in order to give a contemporary focus to any accreditation exercise, over time the criteria for accreditation is weakened. There is no evidence that the criteria for an "accredited unit" as outlined in the regulations have been reviewed in many years. Indeed, if the same criteria were applied to the provincial units now, nearly all of the units would be in violation of some of the standards of an "accredited unit" under the S.A.P. regulations.

There is nothing sacred about the term "accreditation" nor is there anything special about "five year intervals" for accreditation. What is needed is regular evaluation of the performance of S.A.P. delivery units across the province.

In practice, one can't imagine a situation where an on-going S.A.P. delivery unit looses its accreditation. Whether it is accredited or not, the clients will continue to come for assistance. Services must be provided if the clients are in need and are eligible. The only action that could be taken is for a provincial regional unit to take over the functions of a city unit if the city unit lost its accreditation - and this assumes that the provincial unit can perform in a manner superior to the city units. This Assumption has not been tested.

An alternative to the present imperfect method of appraising the performance of S.A.P. delivery units (both city and provincial) might be to eliminate the Accreditation Committee in its present form and strike-down all regulations pertaining to it. Establish in its place a time limited task force on S.A.P. standards whose responsibility would be to lay down the necessary minimum standards for the responsible delivery of the social assistance program throughout Saskatchewan. These standards should become policies of the Department not regulations. These standards could then form the basis of a contract for services between the Department and the City Social Assistance Units of Moose Jaw and Prince Albert. At the same time the standards would be used in all provincial units as the minimum requirements for the acceptable management of the units. Annually, the Department ought to review the standards with the two city units as a basis for renegotiating the contract which would exist between the organizations. For the provincial units, the contract would in effect exist between the Department and the government as consumated in the form of the annual budget.

The advantages of this approach are:

a) To remove from regulations detailed operational policies which can quickly grow out of date and are infrequently appraised;

b) To create a mechanism for standards setting which is flexible, can take local differences into account, which can apply equally to city units and to provincial units;

c) To evaluate more informally, in a time frame where annual budget appropriations can be used as a tool for performance improvements.

The Act should then be revised to reflect that the Minister may establish contracts with a municipality or groups of municipalities for the delivery of social assistance.

3. Regional Advisory Boards (known also as Local Advisory Boards) and Appeal Committees

There is some contortion in the law about the establishment of advisory boards and appeal boards for the Department. Section 9 of The Department of Social Services Act empowers the Minister to establish "advisory boards or committees" to give advice on any matter under the jurisdiction of the Social Services Department "when requested to do so by the Minister".

Section 10 of The Department of Social Services Act permits the Minister to establish appeal committees to "hear any grievances, arising out of the administration of this Act or any other act administered by the Department". Section 10(2) enables the Minister to establish "provincial appeal boards".

Section 15 of The Saskatchewan Assistance Act requires "every local or provincial unit" to establish an appeal committee.

Section 15(2) of The Saskatchewan Assistance Act permits any person including the director, who is dissatisfied with the decision of the Local Appeal Committee to appeal also to the Social Services Appeal Board. This appeal board is a Provincial Appeal Board established by the Minister under Section 10 of The Department of Social Services Act.

Regulations under the Saskatchewan Assistance Act require the individual to appeal to the Local Appeal Board "through the unit administrator".

Section 43 of The Regulations enable the unit administrator or the Social Services client to appeal a decision of the Local Appeal Board to the Provincial Appeal Board and this also must be done by the clients' giving notice to the "unit administrator". The decisions of the Provincial Appeal Board are final.

There are clearly two different sets of functions being mandated for the Regional Advisory Board: general advice and appeals.

The Departmental practice is that client appeals from decisions of the S.A.P. program are heard by a Regional Appeal Board which is a sub-committee of the Regional Advisory Board. While the Minister of Social Services appoints the Regional Advisory Board, membership on the Regional Appeal Board is selected by the Regional Advisory Board. The actual composition of a Regional Appeal Board changes regularly to spread the work over the several members on each Regional Advisory Board. Most frequently the Chairman of the Regional Advisory Board is also the Chairman of the Local Appeal Board.

Where clients or the Department are not satisfied by a local appeal decision, the appeal may be forwarded to the Social Services Appeal Board (the provincial board) which is appointed by the Minister of Social Services.

Over time, the lack of attention to the general advisory responsibilities of the Regional Board has meant that most regional boards are now totally pre-occupied with the appeals process. The 1981 Task Force on Regional Advisory Boards had the following remarks to make about the boards.

a) "The present level of activity of advisory boards varies considerably from region to region, from boards that meet monthly to those that have not met for several years".

b) "There is little consistency to the operations (of regional advisory boards), and a tendency to be lacking in broad community representation".

c) "Very little training is available to advisory board members".

d) "There is very little awareness of the advisory boards among the general community".

e) "It appears that the advisory boards' strongest relationship are with the regional directors and the regional staff, and that few contacts are regularly used beyond the region".

f) "Only intermittent contact with the Minister of Social Services was reported".

g) "The Regional Advisory Boards' present weaknesses consist of:

  i) "High dependency on the bureaucracy it was intended to independently advise";

  ii) "Vague goals and mandate that have led to inconsistencies in activity and involvement from region to region and from time to time within the same region";

  iii) "A close association with the S.A.P. appeal process that has narrowed considerably the advisory potential of the boards";

> iv) "An extremely low profile in the surrounding community that greatly handicaps its advisory image, or its ability to function as an indicator of community needs and trends".

With respect to their general advisory function, it is clear that Regional Advisory Boards have very limited effect. For the S.A.P. program in a re-organized state, the Regional Advisory Board is not needed because public input would come through the Regional Business Employment Committee. Presently there is little purpose in retaining Regional Advisory Boards.

4. Local Appeal Boards

Local Appeal Boards on the other hand are needed and are fairly active although some discontent has been expressed about the appeal board members being too closely aligned with the regional bureaucracy. In some instances clients and advocates feel that appeal board members are out of step with current values, circumstances and conditions of Saskatchewan's welfare clients.

Some members of appeal boards have expressed the concern that they are given inadequate training and orientation to hear appeals effectively. Others have commented that they are originally selected to sit on a general local services advisory board and then find their attention and time mainly preoccupied with a semi-judicial function.

Regardless of the imperfections of the appeal system it has worked relatively well in settling disputes at the local level between the social services unit and clients. Compared to other appeal structures for social assistance across Canada, Saskatchewan has one of the best ones.

Suggestions for Improving the Provincial and Local Appeal Boards

a) It is vital to separate entirely, the appeals structure from any general advisory structure required by the Department.

b) Vital too is that distance should also be placed between the appeal boards and the local bureaucracies of the social service units so that the public and the client can perceive the independence of the appeal boards.

The Social Services Appeal Boards (provincial) principal responsibility should be to set appeal standards consistently for the province, to enforce these and then to check the work of the local boards that they are ruling fairly and consistently given the guidelines. If the local board is properly trained and is doing its job correctly, there should be little need for a second appeal to a provincial board. Under these circumstances, the provincial board should have the right to refuse to hear an appeal on the grounds that no new information is available and the local appeal board acted correctly. Of course, to know if new information is available, a written submission of new evidence would have to be made to the board for its consideration.

c) The Minister of Social Services should directly appoint members to the Social Services Appeal Board (provincial), and to all local appeal boards.

d) Members on the appeal board ought to be chosen with their semi-judicial role in mind so that a member would be selected because of his/her interest and capacity in adjudicating disputes.

e) Membership on the appeal boards should be time limited so that new blood is forthcoming on a regular basis. Perhaps two consecutive terms of two years each should be set as a maximum.

To provide some continuity and capture the knowledge about S.A.P. regulations and policy, consideration should be given to re-appointing one or two individuals from existing appeal boards to the new appeal boards; but other than this it would be highly desirable to begin with a largely fresh slate of members.

f) Training needs to be provided new members on appeal boards so that they are oriented at an early date to the expectations of their role, to the precedents, acts, regulations and policies of the Department and to the process of the appeal system.

g) While the appeal board system is established to deal with dissatisfaction under the Saskatchewan Assistance Plan, V.R.D.P. and F.I.P., there is a need for appeals to be heard for other programs of the Department. It would be worth considering a broadening of the mandate of appeal boards to hear appeals from any program in the Department which is offering a personal service to a client.

h) The secretariat to the Provincial and Local Appeal Boards should be found outside of the administrative units of the Department. This needs to be only a part-time job. While the Minister has power to make provision for clerical assistance to these boards, there should not need to be a substantial financial investment in their operation. Of greater importance is the choice of people who are committed and able to undertake the work, along with acknowledgement from the government, the Minister and the Department that the work is valuable.

i) The law should be changed to allow the possibility of an appeal board being able to reconsider its own decision (particularly where it has made an error), without having to re-hear the full appeal.

j) The decision of appeal boards ought to be publicly available (without naming clients involved), and form precedents for later decisions. The Social Services Appeal Board should review these decisions (without re-hearing each case) to ensure consistency with provincial law and precedents.

k) Wherever possible, the worker presenting the case for the Department to the appeal board should be different from the appealing client's worker so that when the appeal is completed the relationship between client and worker is not spoiled because of the adversarial nature of the appeal process.

l) Appeal boards ought to have the power to refuse to hear an appeal on the basis that substantive new information is not available. This might stop "revolving-door" appeals on the same issue where any "fresh" monthly denial of a benefit can entitle a S.A.P. claimant to another series of appeals. Like the Provincial Board, a written submission from appellants would be needed to demonstrate "new evidence".

m) There is a basic unfairness to clients in the appeal process in that in many rural areas, arrangements have not been made for welfare advocates (where these are available in the cities). Consistency should apply.

n) Equally, the client's right to a S.A.P. application and an appeal are not recognized in all regions; a client's right to be informed in writing as to his/her rights of appeal are not recognized in all regions; and a client's right to a decision and reasons in writing after his/her appeal is not recognized at the local level in all areas. These discrepancies need correction.

o) Appeal boards should consider holding meetings in centres other than the regional administrative centre, as is reasonable.

p) Wherever an appeal is heard by the Social Services Appeal Board, it should result in a final decision.

5. Ministerial Advisory Bodies

At the Ministerial level, whether or not there needs to be a provincial social services advisory board or council depends on the needs of the Minister from time to time. Where these boards have been set up in the past in various government departments, they frequently work well for a few years while a subject of high priority to the government is being examined, and then they tend to whither with lack of attention and lack of priority subject matter to study. Therefore if the Minister feels in need of additional sources of independent advice, a provincial Social Services Advisory Board could be established reporting directly to the Minister, but it should have the following characteristics:

a) It should be time limited from the outset with an understanding that its performance would be evaluated;

b) There should be a priority need for some subject or subjects to be independently reviewed by this group for the Minister;

c) It could well be responsible for seeking advice and co-ordinating the activities of other advisory groups which are now established by the Department for a variety of purposes like the Day Care Advisory Board, the Mental Retardation Advisory Board, and the Vocational Rehabilitation Advisory Board.

MISCELLANEOUS ISSUES

The Terms of Reference of this Review require that social assistance programs in other provinces and other jurisdictions in North America be reviewed and that identification of innovative and positive features in these other schemes should be considered for Saskatchewan.

Throughout this report, relevant examples from other jurisdictions have been quoted. There are, however, some additional background papers which may be useful to the reader and are included in the appendices to this report which form Volume 2.

Appendix J is an overview of social assistance in Canada. Appendix K describes the reform of income maintenance in Canada and the United States since 1970. Appendix L offers an overview of the American Welfare System. Appendix M is a description and evaluation of the American Food Stamp Program. Appendix N is a description and evaluation of International experiences in job creation. Appendix O is a theoretical, descriptive and evaluative review of work incentives in social assistance programs.